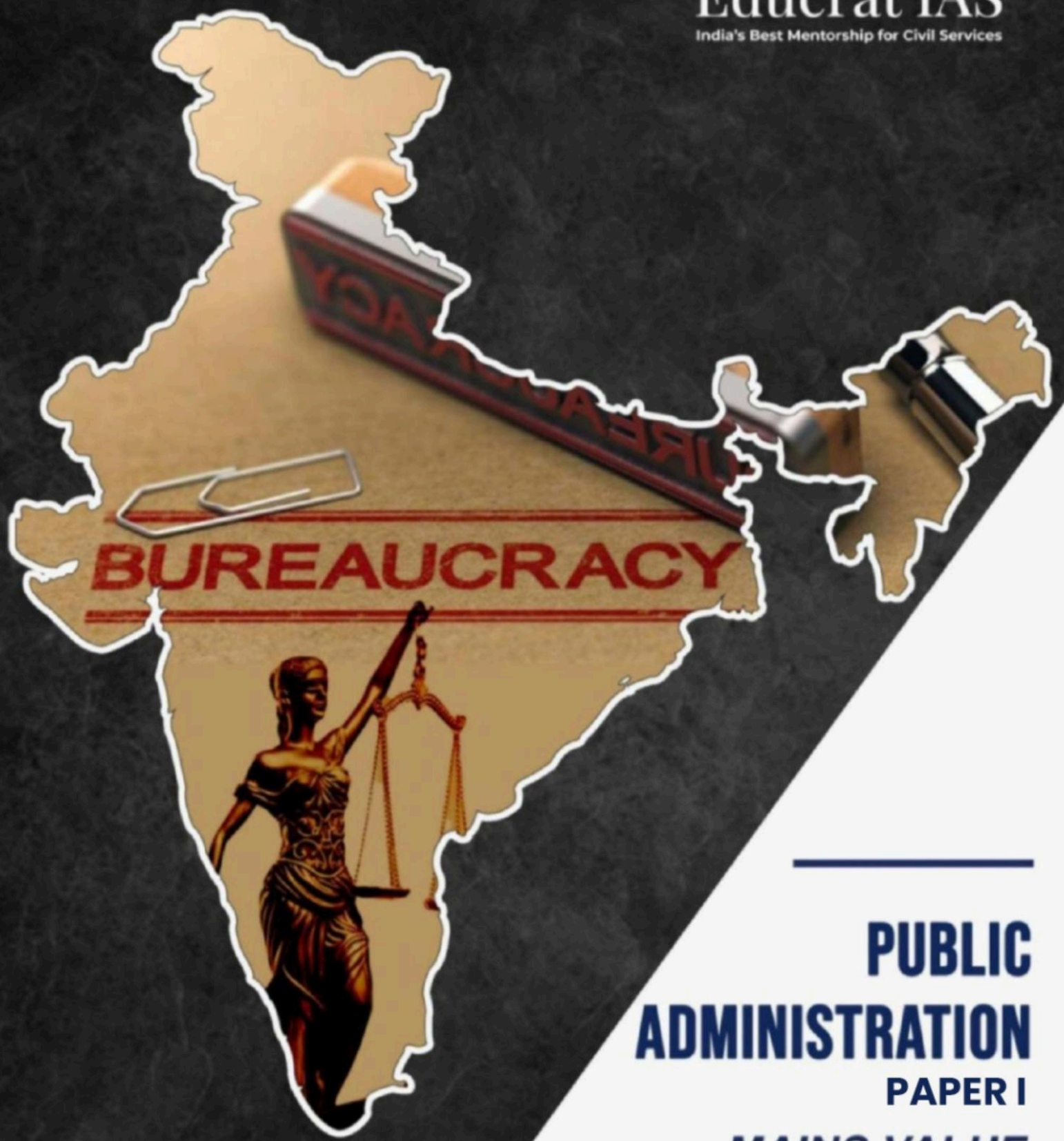




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**PUBLIC
ADMINISTRATION
PAPER I
MAINS VALUE
ADDITION MATERIAL**



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1

CHAPTER

Meaning, Scope and Significance of Public Administration

Meaning

When two or more persons come together voluntarily to fulfil their common objectives through coordination, that is when organisations come into existence. For example, a family is the most basic organisation consisting of at least two persons who come together to fulfil their basic biological needs similarly a community/village is also an organisation that fulfils social needs such as the desire for respect, recognition, and status. Politically, the state is the highest form of organisation.

Following are the main activities performed in an organisation

1. Formulating objectives;
2. Planning – necessary because usually, objectives are unlimited while resources available to fulfil those objectives are limited;
3. Division of work and specialisation. It also brings efficiency and speed of work;
4. Hierarchy – it helps in the division of work, coordination and discipline;
5. Finances (Budgeting);
6. Performance evaluation.

All the above activities performed in an organisation are collectively called Administration.

The word “Administration” is derived from the Latin word “Administrare” which means to serve or to look after.

Definitions of Administration

1. Herbert Simon – Activities of a group of people cooperating with each other to achieve common goals.
2. Woodrow Wilson – Public Administration is the systematic application of law.

Administration vs Management

1. Generally used in the context of activities performed by Government Organisations/Activities by private organisations.
2. Activities performed at the top level are known as Administration/Activities performed at the middle and lower levels in Management.

Scope of Public Administration

Public Administration as an activity of governing public affairs is as old as human society. Similarly, as a group of governmental institutions, Public Administration is as old as human society, however, as a subject or field of study or discipline, it has its origins in 1887 (Woodrow Wilson’s Essay).

The word ‘Public’ in Public Administration has three connotations:

1. As a synonym of government administration as distinct from private administration;
2. Its activities directly or indirectly affect the masses;
3. Its activities are financed from public funds.

A state refers to a political entity that has a defined territory, population, and government and is sovereign. A State cannot govern itself. It requires a government. Government consists of the political executive which represents the citizens of the country. The values and goals that a society tries to achieve are politically determined by the State. The state needs a government to run the State. The government in turn needs administrative support which is nothing but the Public Administration. Public Administration consists of multiple public organisations like ministries, departments, commissions, bureaus, councils, boards etc. this leads to a need for a subject/discipline of Public Administration that can guide the administration to be more efficient and effective.

Public Administrator refers to members of Public Administration who practice it as an activity whereas Public

Administration refers to those who study and research the subject of Public Administration. They help in building theories, models and concepts of Public Administration.

The scope of the subject of Public Administration is influenced by the activities performed by the State. The scope of Public Administration has seen many changes since its origin. Kings did not perform many welfare activities because they were not elected and hence not accountable to the people. The administration under unelected kings performed only regulatory, security and revenue functions.

With the evolution of democracy and associated philosophies like liberalism, individual freedom, rule of law etc. the scope of Public Administration has increased. An elected government is answerable to the electorate. To win and maintain the trust of the people, governments undertake many welfare activities.

The expansion of activities of the State has expanded the scope of Public Administration. In its evolution, the scope of Public Administration changed depending on its linking and de-linking with the mother discipline Political Science and the alter ego of Management.

The scope of Public Administration has the following viewpoints

1. Scholars like Herbert Simon defined Public Administration only in terms of activities performed by the executive branch. They ignored the study of the administration of the legislative and judicial branches. This definition was considered too narrow and was rejected;
2. Other thinkers expanded the scope by defining Public Administration in terms of the activities of all three organs of state. Later even this definition was considered limited in its scope;
3. At present, the scope of Public Administration consists of:
 - a) Activities of legislature, executive and judiciary;
 - b) Private sector and markets in times of LPG;
 - c) Multilateral institutions in times of globalisation (UN, IMF, SAARC, etc.);
 - d) Civil societies, NGOs, RWAs (Resident Welfare Associations) in times of citizen-centric administration;
 - e) Media.

Thus, the scope of Public Administration is not static but dynamic. It is ever-expanding, therefore it is difficult to define its space and boundaries.

A perspective on the scope of Public Administration is called Subject matter view or Organic view. According to this view, Public Administration should study the subject matter of Public Administration that is the core activities performed by Public Administration – health, security, education, anti-poverty etc.;

Whereas there is another view on the scope of Public Administration that Public Administration overlaps with management – the POSDCORB view (the term given by Luther Gullick) Typically, Public Administration performs certain managerial functions like Planning, Organising, Staffing, Directing, Coordinating, Reporting and Budgeting – these activities are called POSDCORB. As per this view, Public administration has the same scope as that of management.

Finally, there is an integral view of the scope of Public Administration. According to this view, Public Administration has the widest scope – all organs, all functions and all roles.

In the context of the subject matter vs. POSDCORB view, it can be said that Public Administration is an instrument with two blades like a pair of scissors. One blade is the knowledge of the field whereas the other is knowledge of techniques. Both blades must be good to make an effective tool. (Scope of Public Administration conclusion in answer writing-this para).

The scope of Public Administration is increasing because of the increasing aspirations of people. They are expecting more from their government. For example, during the pandemic of Covid-19, people across the world expected national governments to provide services such as vaccines, beds, ICUs, ventilators etc.; (you can quote real-life examples like this in answer writing) This has forced governments around the world to perform more functions which results in expanding the scope of Public Administration. For example, sustainable development and management of climate change were not within the scope of Public Administration until about three decades back. Similarly the use of ICT in Public Administration was not within the scope but today use of ICT (Information and Communication Technology) and e-governance is a separate subfield within Public Administration. Thus it can be concluded that the scope of discipline of Public Administration extends from cradle to grave.

Significance of Public Administration

Public Administration is the action part of government. It is the instrument by which the government of any country seeks to achieve its goals. People evaluate the performance of the government based on the nature and efficiency of Public Administration. In the words of Woodrow Wilson – “Public Administration is defined as the most obvious part of the government which is most visible to the public”.

The development, if not survival of any civilisation depends on the efficiency of its administrative system. In ancient times, the Great Roman Empire collapsed because of the failure of the administrative system. It had become bankrupt

which led to a revolt by soldiers. In India, the Mughal Empire collapsed because of centralised despotism (autocratic/dictatorial) and lack of strong administration after Aurangzeb.

The State is no longer considered as the preserver of the status quo instead the concept of service state has been almost universally accepted. After the Second World War, some countries witnessed rapid development while others remained backward or underdeveloped. Countries of North America, Southeast Asia, and Western Europe, Japan etc.; had fast development while others remained underdeveloped. This was because of the difference in the efficiency of Public Administration.

According to Gerald Caiden, the significance of Public Administration can be appreciated from the point of view of functions performed by it:

1. Maintenance of law and order;
2. Provide assistance for policy formulation;
3. Revenue generation;
4. Managing large scale PSUs;
5. To maintain stability and continuity in governance during times of political instability (For example - the recent Maharashtra crisis);
6. Implementation of policies, programmes, and schemes;
7. Bringing socio-economic transformation (Public Administration acts as the voice of the voiceless);
8. Influencing public opinion.

Q. Why the scope and significance of Public Administration is increasing?

1. The Industrial Revolution gave birth to several socio-economic problems and therefore the State and Public Administration had to take up new responsibilities;
2. Decrease in social harmony –class conflicts, communal riots (Delhi 2020);
3. Adoption of planning function by State to achieve the goal of welfare;
4. The Welfare State has replaced the laissez-faire State;
5. Population explosion created new problems of slums, food shortage, social inequalities;
6. Increase in natural calamities, and new diseases.

Nature of Public Administration

Public and Private Administrations differ in their objectives. Public Administration aims to serve the people and the welfare of people. Private administration has the goal of profit maximisation.

Herbert Simon gave three differences between Public and Private Administrations

1. Public Administration is bureaucratic, Private Administration is business-like;
2. Public Administration is political, Private Administration is non-political;
3. Public Administration is characterised by red tape (excessive use of rules and regulations by the Government. which delay the work), Private Administration is free from it.

Differences between Public and Private Administrations

1. Political content is present in Public Administration (work under the direction of political executive)/ Political content is absent in Private Administration;
 2. Public Administration is accountable to the general public/ Private Administration is not accountable;
 3. Paul Appleby says the scope and impact of Public Administration are very large and that of Private Administration is narrow;
 4. In Public Administration, finances are externally controlled/In Private Administration, finances are internally controlled;
 5. In Public Administration first the expenditure is calculated and then the government raises matching revenue (Tax)/ In Private Administration, first calculate revenues and then plan expenditure;
 6. Borrowing capacity (Budget) in Public administration is unlimited/ In Private Administration, borrowing capacity is limited;
 7. Access to information by common people is high in Public Administration and low in Private Administration;
 8. Political executives, media, NGOs, and finally people are accountable in Public Administration/shareholders, customers, employees and regulatory agencies are accountable in Private Administration;
 9. In many sectors Public Administration may have a monopoly. For example- Railways, Atomic Energy/ Stiff competition in Private Administration;
 10. Profit motive in Public Administration is absent/ Profit motive in Private Administration is present.
- In recent times, the difference between Public and Private Administration is getting reduced. There is an emphasis on

synergy between them. In Public Administration, there is an increased focus on efficiency, fast decision-making, lateral entry, time-bound service delivery, and emphasis on citizen satisfaction (citizen charter). Similarly, Private Administration focuses on the welfare of society with the concept of CSR (Corporate Social Responsibility) these changes focus on maximising the strengths of both Public and Private Administration and minimise their weaknesses. As a result, Public-Private Partnership (PPP) has emerged because of this harmony between Public and Private Administration.

To summarise, the following are the features of Public Administration:

1. Welfare maximisation (Government. has no business to do business);
2. Monopoly in service delivery;
3. Information is publicly available;
4. Accountability to people;
5. Political content is always present;
6. External financial control.

“Public and Private Administration are two species of the same genus” – Dwight Waldo

Both differ in their objectives but may have common means/tools like efficiency, economy, cost control, planning, managerial techniques etc..

“Efficiency” is output upon input. Input can be time, energy, resources anything.

“Economy” is saving resources.

“Effectiveness” is the extent to which objectives are achieved.

Q. “The scope of the discipline of Public Administration is determined by what an administrative system does.” Does it mean that the scope of this discipline is boundary-less? Explain. (2018)

The scope of the discipline of Public Administration is closely linked to the activities performed by the administrative system. If activities, functions, and area of operation of the state and its administration expands, the scope of Public Administration also expands. In times of hard capitalism, the state performed only revenue and law and order functions (laissez-faire state). With the emergence of the welfare state, the activities performed by the administrative system increased in number and thus the scope of discipline of Public Administration also increased.

Public Administration addresses the societal problems of the day. Problems keep changing like environmental degradation, human rights violations, social injustices, social inequalities, economic and political instability, global pandemics like Covid-19 etc.;

In India, after 1991, the role of Public Administration has changed but not reduced. Today administration performs regulatory functions, networked and co-governance, and ensures fair play of the market.

Therefore the scope of discipline of Public Administration keeps changing with time but it is not boundary-less.

Q. “The scope of administration is determined by the scope of Government. functions which is decided politically”. Comment (1998)

Q. “The scope of Public Administration is ever expanding.” Comment. (1995)

Q. Public Administration consists of all those operations having for their purpose the fulfilment or enforcement of Public Policy. Comment (1991)

- Said by LD White

Q. “Public and Private Administrations are two species of the same genus, but they also have special values and techniques of their own.” Comment (2007)

- said by Dwight Waldo

Public-ness of Public Administration differentiates it from private administration. As an administration, both have some common objectives.

1. Efficiency – although efficiency in private administration is only monetary efficiency whereas in Public Administration it refers to administrative efficiency, policy efficiency and service efficiency;
2. Economy;
3. Cost Control;
4. Managerial techniques – planning, organising, coordination, accounting;

However, they both differ in objectives (Commercial vs. Welfare) or profit vs. public service.

Special values of Public Administration –

1. Impersonality;
2. Uniform treatment;

3. Public accountability;
4. Anonymity;
5. Political direction.

Special techniques of Public Administration –

1. Monopolistic nature of functions. Exp. – railways, defence;
2. Can be coercive. Exp. – Aadhar is mandatory to avail of many Government. Services, and restrictions on travel if no Covid-19 vaccine.

Q. “Though there are certain points of similarity between public and private administration, yet no private organisation can ever be exactly the same as a public one.” Examine.



Woodrow Wilson was a professor of political science and an administrative scholar who went on to become governor of New Jersey and later President of the United States (POTUS). He published an essay entitled “The Study of Administration” in 1887 and laid the foundation of Public Administration as a separate academic discipline. Before Woodrow Wilson, Public Administration was considered a part of political science or public law. The main theme of his essay was the need to study Public Administration as a separate discipline. Wilson noted that Government activities have expanded in scope and complexity and therefore systematic and orderly administration is necessary.

“Administrative development” – refers to the development of administration and its capabilities. For example, better recruitment policies, better training, motivation etc.

For a long, administrative scholars have been busy studying the ‘what’ part of government and it was time that they started studying the ‘how’ part. Wilson observed that there was too much emphasis on policy-making i.e. development and framing of the constitution but too little on how to run the constitution. Society had undergone changes such as the Industrial Revolution, technological innovation, population growth, rise of democracy due to which implementation had become much more challenging. However, very little focus was given to improving this implementation side of government. In this context, he remarked, “It is more difficult to run a constitution than to frame one”. This factor played an important role in advocating for a separate discipline which would help in overcoming challenges of implementation.

His ideas on Public Administration can be summarised as:

1. More scientific and methodical;
2. More business-like and efficient;
3. Unpartisan and detached from politics;
4. Comparative.

1. Scientific & Methodical

It means more disciplined and systematic functioning

American administration had less use of principles as compared to European countries which used more systematic principles and logical methods. He was particularly impressed with the French administration. Monarchies (a system where the head of state is not elected) need efficient administration to contain dissatisfaction among people, otherwise, people would rise against the Monarch.

In America, public opinion was a clumsy nuisance because there was too much public interference. Administrative reforms are slow as compared to reforms in monarchies. However, he did not reject the role of public opinion altogether because, without public opinion, there would be a dictatorial administration

The second dimension of scientific administration is reforms in civil services. The spoils system (a system of appointing civil servants on the basis of nepotism, favouritism and closeness to the party in power as against merit-based a competitive system) leads to inefficiency and corruption. In 1881, President Garfield was assassinated by a disgruntled job seeker. This led to civil services reforms like the Pendleton Act, and the Civil Services Commission but Wilson believed that they were half-hearted reforms. Wilson suggested scientific selection, training and operation of Civil Servants.

2. More business-like and efficient

He stressed certain features of private administration that can be learned and adopted by public administration. For example. – 3 E’s – Efficiency, Economy, Effectiveness. At that time, Taylor had become popular for his work on efficiency. Wilson observed that public administration has some un-business-like attributes like inefficiency, delays, red-tapism, and slow decision-making. In this context, he observed – “Government's business should become less un-business like”.

However, Wilson added a word of caution that the goals of the core priorities of the government are different from private businesses. Government is not business, it is organic life. Public Administration has different objectives than private administration but it can adopt the methods or means of private administration.

3. Unpartisan and detached from politics

The administration should be separated and delinked from politics. Political executives formulate the policies while the administration has to implement and fulfil the objectives of policies. Administrative questions are not political questions. An administrator shall not ask political questions like – is this the best policy? Is this policy genuinely in

the public interest? Etc.

Difference between political questions (Politics) and administrative questions (Administration)

1. Temporary tenure in Politics/ Permanent tenure in Administration;
2. Politics deals with policy formulation/Administration deals with policy implementation;
3. No special qualifications in politics (universal entry)/restricted entry (merit-based) in administration;
4. Power through elections in politics/power through selection (merit) in administration;
5. Political values like Justice, liberty, equality etc./Administrative values like Economy, Effectiveness, Efficiency and rule orientation;
6. Accountable to people/accountable to the political executive

Politics has its own compulsions. The field of administration is the field of business means to do your job. It is removed from the hurry and strife of politics. This idea of separation later became popular as Politics-Administration Dichotomy. However, Wilson was aware that completely cutting off administration and politics may not be feasible because ultimately administration is guided by political decisions and policies.

4. Comparative

Wilson recommended the use of comparative methods in the study of administration. Wilson wanted to know what government should do and how to do it the best. Wilson recommended a comparative approach to study administration and not a philosophical or historical approach. Comparison highlights the weaknesses of your system as compared with the strengths of other systems. His suggestion is, that if any country has successfully implemented some administrative reforms, then other countries should learn from it.

However, Wilson added a word of caution – it is not advisable to learn and adopt anything and everything. Administration stands on different bases in democracies than in other states. America can learn from European autocracies and their efficient administrative methods without adopting their autocratic spirit. It refers to borrowing of skill of a murderer but not his intent.

Critical Appraisal

Wilson's essay created a major interest among scholars to study public administration. It was appreciated because many later theories of Public Administration directly or indirectly developed along the lines suggested by Wilson.

1. His concept of dichotomy was sharply criticized and rejected on the following grounds:

- a) The activities of politics and administration cannot be completely separated as policy implementation is closely intertwined with policy formulation.
- b) Administration does not perform only the role of policy implementation but also the role of rendering policy advice. Even when Woodrow Wilson was President, his executive office was housed by bureaucracy.
- c) By the 1940s dichotomy was rejected by thinkers of behavioural school and public policy approach like FM Marx, Paul Appleby, Herbert Simon and Dwight Waldo.

2. Richard Stillman – He is one of the most prominent critics of Wilson. According to him, Wilson's essay raised more questions rather than giving answers. For example – he recommends making administration business-like and scientific but does not explain how to do it. Scholars like Taylor and Fayol gave the solutions. Similarly, how to make public administration comparative was given by F.W.Riggs.

To Some extent, this criticism has merit because some of Wilson's ideas were explained by later scholars however in some aspects he did give matching solutions. For example – Wilson gave suggestions on the scientific selection and training of civil servants to replace the spoils system. Any initial theory of a subject cannot be expected to give all answers.

3. Dwight Waldo – In the opening paragraph of his essay, Wilson states that the objective of his study is to discover what a government should do and how to do it successfully but the essay is largely devoted to political administration separability. Waldo says that after reading the essay, the reader is exasperated.

This criticism is not fair because Wilson tried to address multiple problems prevailing in the American administration. All his ideas aimed to make administration efficient and goal-oriented.

4. Wilson was ambivalent or oscillating in his ideas. His essay takes a stand and then a totally different stand. For example. – First, he recommends public administration to be business-like but then says that the field of government is not business. Similarly, first, he blamed public opinion in democracy for slow administrative reforms but then he recommends democracy as a control on bureaucracy to ensure that bureaucracy does not threaten the rights and liberties of people.

This criticism is not fair because rather than a case of ambivalence, it is a case of thorough analysis of ideas so that informed decisions can be made. His business-like approach is criticized for giving too much emphasis on public

administration as management as against public administration as politics. According to some thinkers, he equated public administration with business administration but they are not the same. According to Dwight Waldo, public administration should be grounded in the philosophy of politics and not in the philosophy of business management.

Critiques have pointed out that calling Wilson the father of public administration is a gross injustice to other thinkers who contributed more significantly and much before Wilson. Paul Van Riper says, "Wilson's essay has no influence on the study of the evolution of public administration. His main focus was on dichotomy." According to Riper, the difficulty with equal or even greater scholars getting recognition is that none of them went on to become President of the US. For the first time, public administration was extensively discussed in Shanthi Parv of Mahabharat. Kautilya also known as Indian Machiavelli was the most prominent scholar and wrote extensively on public administration in his book Arthashastra. In the Middle-Ages, Italian philosopher Machiavelli wrote "The Prince" in which he gave administrative ideas to the prince. In modern times, in Prussia, there was the development of the science of administration which was called Cameralism.

Dorman Eaton – He was a far better-known public figure in America than Wilson. He worked on municipal administration and civil services reforms. He reformed the New York Police Department (NYPD) and was chairman of the civil services commission.

Richard Ely – He taught Wilson at John Hopkins University. He influenced Wilson with his ideas of making administration scientific. He worked in Germany for 3 years and brought his European experience to America.

Frank Goodnow – He taught administrative law at Colombia University. His ideas had remarkable similarities with Wilson's in the sense that he also wanted Public Administration to be studied separately and that Public Administration should focus on the "How" part of government rather than the "What" part. His most famous book was published in 1900 entitled "Politics and Administration". (Underline any book name in the exam). This book became very popular and crystallised the politics-administration dichotomy. He also suggested For example - expertise and hierarchy in administration to fulfil political will.

To conclude, it can be said that the most undisputed contribution of Wilson was that he was the first who advocated to carve out a separate discipline of public administration.

2017 Mains

Q. Even after 130yrs of its publication, Woodrow Wilson's essay "The Study of Public Administration" continues to have great relevance even today. Comment

Wilson's essay is relevant even today because the issues that he raised are relevant even today. For example – making administration business-like – efficient, effective, economical, goal-oriented, merit-based and not spoils-based. Similarly, un-business-like attributes are still present – red-tapism, delays, corruption, and populism.

The administration still needs to be more scientific by using modern techniques of administrative improvement like Management Information System (MIS), use of ICT, e-governance, CPM and PERT, scientific selection and training of civil servants, unpartisan administration which is detached from politics, the politicisation of civil services is still present, the recent tussle between centre and state of West Bengal over Chief Secretary of West Bengal. The suggestion of making public administration more comparative is relevant in present times. After globalisation, even ordinary citizens compare their country's administration with other countries and demand similar reforms.

2009 Mains

Q. The field of Public Administration is a field of business – Woodrow Wilson. Comment.

Here, business is to do work and not business literally.

2008 Mains

Q. Calling Woodrow Wilson, the father of Public Administration is doing injustice to equally or even eminent contributions made prior to him. Comment.

Organizational Theories

ORGANISATIONAL THEORIES AND THINKERS

A theory is an explanation of some facts or phenomena pertaining to the structure, processes & and behaviour in an organisation.

Every theory of Organisation is a quest for organisational effectiveness. In other words, any organisational theory seeks to explain 'how to make an organisation effective in terms of its stated goals'.

Organisational theories seek to describe an organisation, how it operates, how it is structured and how it can be made more effective in terms of structural, procedural and behavioural management. Certain aspects of organisational functioning namely - structure, and process behaviour are put to rigorous analysis by these theorists from time to time so as to explain & and propound 'how to design and operate more effective organisations'.

Organisational theories were essentially developed in the wake of industrialisation because business organisations were becoming big & and complex and they desired greater effectiveness, efficiency & and economy. However, later it was realized that even a governmental organisation shares certain essential features with a business organisation: example

- (a) Also goal-oriented;
- (b) Also a human collective;
- (c) It is also operating in search of effectiveness or success;
- (d) It also has features of structure, process and behavioural impact of constituting individuals.

As a result, governmental organisations can and should also be rigorously analysed to reach certain prescriptions or guidelines regarding 'how to operate & and manage effective public organisation?'

Thus, a great similarity of priorities established a strong link b/w the disciplines of management & and public administration where organisational theories proved to be the main meeting ground. As a result, organisational theories have found a significant place in the discipline of public administration. In fact, around the same time when public administration was receiving initial attention as a distinct discipline, the discipline of management was running parallel and was searching for organisational effectiveness & efficiency.

Thus, public administration found a remarkable beneficial linkage with management & and organisation theories in search for answers to certain key questions like:

- (a) How to best manage and administer an organisation?
- (b) How to improve the productivity of people in an organisation?
- (c) How to make an organisation effective yet satisfying to the constituting individuals?

As a result, organisation theories on structural, procedural & and behavioural aspects of managing and improving organisation become theories and principles of public administration.

Organisational theories have been described as the study of the structure and functioning of organisations and the behaviour of groups and individuals within them.

The industrial revolution resulted in the emergence of capitalism as the main economic system replacing feudalism.

The factors of production in capitalism are:

Land – rent – fixed Labour – wages – variable Capital – interest – fixed,

Entrepreneur – profit – variable,

To maximise profits, the capitalists exploited workers – low wages (any extra wage if given, the worker won't come to work the next day), long working hours, and no expenditure on the welfare of workers.

To counter this, workers will deliberately produce less (**soldiering phenomena**). Also, because of increased output, there can be:

This led to conflicts between capitalists and workers. Capitalists want maximum profit and therefore, forced workers

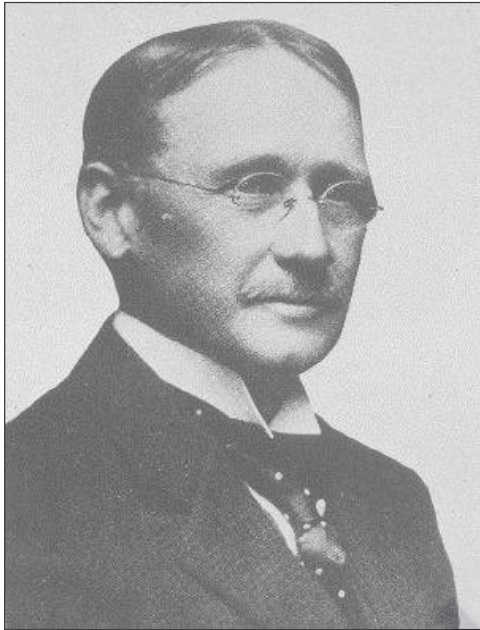
Oversupply → reduced demand → reduced production → lay-offs and shut down → loss of workers.

to produce more and paid minimum wages. Workers feel that they are exploited and the profits of the organisation aren't shared with them. The solution will be given by socialists and then communists (like Karl Marx).

According to **Karl Marx**, it isn't possible to find the solution to this problem within capitalism because there are no limits to profits desired by capitalists. Thus, he recommended a violent revolution by workers against capitalists and replacing capitalism with socialism. The other solution is provided by **Frederick Winslow Taylor** (1856-1915) by his scientific management theory. Though the term 'scientific management' was coined by Louis Brandies in 1910, F.W. Taylor gave the first systematic study of the organisational and managerial problems in an organisation to explain scientific management. He insisted on the introduction of scientific methods in management and argued that without the incorporation of science & scientific attitude, the management of modern organisations would remain inefficient. Taylor came to be known as the father of scientific management.



Scientific Management Theory



Assumptions of Taylor: Efficiency maximisation is the objective of every organisation.

Every man is a rational economic man, that is, not only every man is rational but also motivated by economic factors.

In the closed systems approach, that is, the efficiency of the organisation depends only on internal factors.

A good worker is one who doesn't initiate action but accepts orders of management, that is, no innovation.

Main essence or core concern: It is a Mental Revolution under which there is revolutionary thinking on the part of both employers and employees.

4 principles of Scientific Management Theory (SMT) – Science, not

rule of thumb: Taylor recommends one best way for every element of work. He noticed the use of thumb rules by managers.

Instead of logic, orderliness and systematic analysis. Taylor recommended scientific enquiry for every organisational problem.

Cooperation, not individualism: Taylor observed that managers often have individualistic ideas that don't work because they are arbitrary.

Managers would leave the workers to devise their own individualistic solutions rather than scientific solutions. Taylor recommended institutionalised help where managers would cooperate with workers.

Harmony, not discord: There was mutual suspicion between owners

and workers. Owners feel that all failures are caused by the inefficiency of workers while workers feel that owners are exploiting them by not giving fair wages out of organisational prosperity. Taylor recommended "a fair day's wage for a fair day's work."

"Increasing profits and increasing wages aren't mutually exclusive." He recommended a win-win solution by focusing on increasing the size of the pie rather than fighting for a share in the pie.

Maximum output, not restricted output: Taylor noticed that workers deliberately gave restricted outputs which he calls a soldiering phenomenon.

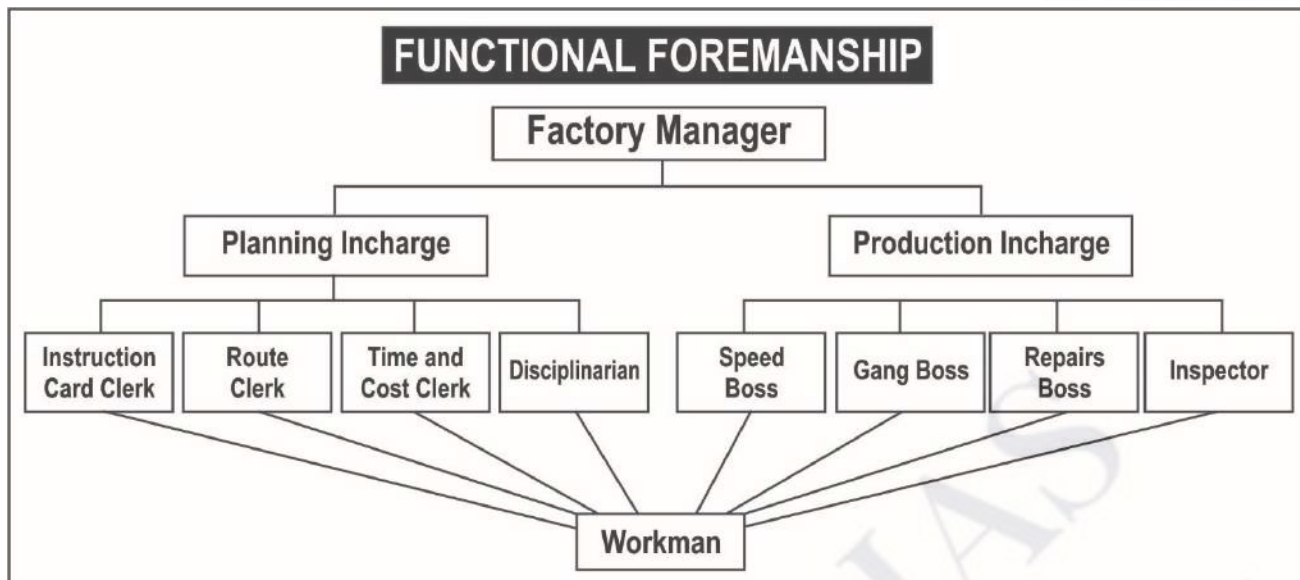
Development of each man to his greatest efficiency and prosperity: With proper training and supervision, the performance of a worker can be increased and hence, he will be able to draw higher wages.

Techniques or methods of scientific management theory: Taylor's SMT is a comprehensive theory because he not only gave prescriptions but also guidelines or methods as to how to achieve them.

The separation between planning and execution: Taylor advocated the separation of planning and execution where the former is done by management and the latter is done by the workers. This concept later became popular as the exception principle or MBE (management by exception).

For example, Secretariat (or staff agency for policy making) vs. Directorate (or line agency for policy execution) in PA.

Functional foremanship: Taylor wanted specialisation so that every task is performed in the best possible manner. As a result, he rejected the linear organisational structure (later called unity of command). Every worker would be supervised by 8 supervisors.



Work study: Taylor argued for measuring and studying the work so that every work and sub-work can be measured and one best way for doing the work can be identified. Work study involves the study of:

- Nature of work;
- Motion study;
- Time study;
- Method study;
- Fatigue study.

The purpose is:

What is a fair day's work? Finding the right man for the right job.

Finally, using work study, Taylor wanted standardisation of every work and to give the best way of doing each and every work.

Scientific recruitment, placement and training: Taylor argued that very often workers are wrongly selected or placed in the wrong jobs, that is, jobs for which they either don't have skills or aptitude. He recommended the right man for the right job. Scientific training is necessary not only for enhancing workers' abilities but also for the profit of the organisation. Every worker should be developed to his maximum ability and prosperity.

Piece rate system: Earlier, there were fixed wages irrespective of work done. Taylor took an average worker and took the average work by him and calculated per unit of work. For any extra work, workers will be given a higher piece rate. If workers produce less than standards, Taylor recommended training. Even after training, if no improvement, Taylor suggested removing such workers because no organisation can afford inefficient workers.

Scientific Management Movement: Taylor's philosophy of SM led to a popular movement that began in 1910 and came to be known as Scientific Management Movement or Taylorism. It became so popular and even controversial that within 2 years, the American government appointed 2 fact-finding committees.

Taylor's ideas came at a time when capitalism was facing an identity crisis due to continuous conflict between workers and management. SMT proved to be an effective solution. It was also the time of the First World War when there was huge demand for American products and the efficiency proposed by SMT came to the rescue. The ideas of Taylor soon spread to Germany, the UK, France and even Russia, where it came to be known as the Stakhanovite Movement.

In the 1980s-90s, Taylor's ideas got a revival in the form of new Taylorism or NPM (New Public Management).

CRITICAL APPRAISAL OF TAYLOR'S IDEAS

From managers: Taylorism faced initial resistance from managers, mainly on account of the fact that Taylor criticised the individualistic approach followed by these managers and reduced or curtailed their role by enhancing the role of scientific methodology and scientific standardisation. It was opposed by managers who wanted quick promotions in management but without higher education. Further, another reason for managers' unhappiness with Taylorism was the increased responsibility that Taylorism placed on them. However, after the initial resistance, managers started liking & approving Taylorism because of the greater chance of success that it offered to them.

From workers and their unions: Taylor emphasised stringent performance criteria. It was alleged that there was less breathing space for workers in such stringent conditions. Moreover, workers were disappointed by the piece rate practice as it divided workers into 2 classes- haves and have-nots. There was no award for loyalty and if the worker was found unfit to do 'fair day's work', the organisation would get rid of him. Workers' unions opposed his ideas because Taylor encouraged individual bargaining through practices like piece rate which struck down the role of workers' unions that are made for the purpose of collective bargaining.

NEGLECTS THE HUMAN-SIDE

Mechanical model: It considers a human being as the same productive means as a machine, with no social emotional, psychological or sentimental characteristics. He used workers as a mere cog in the machine.

Impersonalised model: Taylor ignored the informal organisation. According to Mayo, the social or personal side of work relations, called informal organisation, is a decisive factor in human satisfaction, human production and hence organisational effectiveness.

Physiological model: No creativity or innovation encouraged. March and Simon argued that SM focuses only on the physical, technical or economic dimensions while ignoring the psychological or mental dimensions of human behaviour at work. According to most behavioural thinkers, men desire freedom, initiative and creativity and when such opportunities are denied to them, they feel frustrated, alienated and demotivated.

Neglects situational context: Ignored the external environmental changes like new technology, competitors, rules and regulations, demand etc. modern thinkers have argued that an organisation functions in an open environment and that the 'one best way' approach may be suitable always. It may differ from one organisation to another and even in one organisation with changing external factors. It is also alleged that SSM discouraged innovation and creativity and only focused on one studied stagnant approach which may not complement the dynamism attributed to modern organisations.

According to **Harry Braverman**, SMT assumes a monopoly over knowledge by the managerial class only.

Partial model: Works only in the manufacturing/industrial sector and that too, only for the shop floor level.

It was alleged that the separation of planning from execution went against the principle of participation by all. It shall hamper team spirit.

Criticism by Antonio Gramsci: He was a founding member of Communist Party of Italy who was imprisoned by the Mussolini's fascist regime. In his highly valued *Prison Notebooks*, he pointed out the theory of passive revolution by the capitalists (led by Taylor), according to which, the capitalist class shall share the profits with workers to get a long-term benefit by moving the belief system of workers from unions to industrial prosperity and exploit them in longer term.

Defence of Taylor on charges of 'neglect of human side of the enterprise' or Humanistic aspects in SM

model: Although it is an undisputed fact that Taylor's primary concern was productive efficiency and achieving the same using scientific methodology and rational economic means; yet, to say that he completely neglected the human side of an organisation would be unfair & exaggerated as brought out by following points:

He emphasised securing maximum prosperity for employees: Taylor argued for a mental revolution on the part of the management so that they give up the exploitative attitude and became fair in sharing the industrial prosperity with workers. He argued: "It should be the objective of the management to pay higher wages" (rather than curtail wages).

He advocated for fairness in work relations as indicated by the following points: Right man for the right job, based on man's liking and aptitude rather than based on thumb rule or desire of management.

Finding out what constitutes a 'fair day's work' so that unnecessary blame is not passed on to workers.

Concept of 'cooperation' whereby managers will have the onus to provide 'institutional support' rather than leaving workers in the lurch.

He focussed on improving the working conditions. For example, reducing manual drudgery, increasing health, hygiene and comfort factors, etc.

He provided for the development of employees: One of the core points of his SM model was the theme - "development of each worker to his maximum ability, potential and prosperity". As a result, workers were given updated training so that they could command a better wage with improved skills.

He advocated for peace and harmony: Taylor recommended that "peace must replace war" i.e., management must give up the unnecessary antagonism against workers and their unions. He further observed - "The focus should be on discovering ways of prosperity enhancement for all rather than a struggle for sharing the stagnant prosperity."

The foregoing discussion shows that he was not oblivious to the human side or concern. Of course, socio-psychological and emotional factors did not catch his attention. Economic fairness & economic well-being of workers were given a central representation, on which neo-classical thinkers could add the socio-psychological fairness. In this context, it can further be appreciated that every theory is a by-product of its times. In that era, Taylor rightly thought that creating a sure-shot industrial production & prosperity and sharing it fairly with workers were the more dominant and fundamental priorities. Neo-classical thinkers had the benefit of hindsight and advancement of more than 3 decades when they argued for the socio-psychological satisfaction of workers. Thus, human concern was there in the economic sense at least, although not in the socio-psychological sense which neo-class thinkers like Mayo, Maslow, Bernard, and Simon added. In the evolution of any discipline, if there are multiple priorities or things to be attended to, then a beginning has to be made somewhere & all priorities can't be attended to by the very first theory.

Q. “Principles of analysis and principles of action were not differentiated in Taylor’s scientific management.” Comment (2020)

Principles of analysis means the observation or the theoretical part of Taylor’s study. Principles of action refer to the application part.

Taylor's Scientific Management Theory was for industrial success. Its area of focus was at lower levels or shop floor levels. At lower levels, there is no difference between theory and action i.e. analysis and action. Taylor’s analysis was regarding work-study – time study, motion and fatigue study, finding the root cause of friction between managers and workers. His principles of action – standardisation, one best method and mental revolution. Taylor’s analysis came from observation as he was a practising engineer. His recommendations are also based on observation and therefore no differentiation between analysis and action.

Q. “Taylorism is considered very controversial despite its popularity.” (Stephen P. Waring) Comment. (2016)

Taylorism was controversial because

1. Faulty assumptions – REM and auto goal congruency;
2. Denies creativity to workers;
3. Creates monopoly of managers over knowledge;
4. Treats workers as machines;
5. Neglects human side and emotional needs;
6. Attempts to divide workers on the basis of wages. This rendered trade unions useless;
7. Ignored informal organisation (he considered humans to be atomistic men or atoms).

Q. “Taylor’s ideas need modification in the context of post-industrial economies in contemporary era.” Justify with reasons. (2014)

1. Employees are more aware and educated with higher qualifications. They do not just seek monetary awards but also fulfilment of their socio-psychological needs and other higher-order needs. Employees in the service sector seek challenges, recognition, and scope for creativity.
2. Post-industrial economies are more competitive in a globalised world. The place of consumption of services can be different from the location of the service provider. Therefore greater environmental challenges.
3. One best method needs frequent revision. A closed systems approach will not work.
4. In post-industrial societies, there is an increased focus on human rights and the welfare of employees.
5. Greater control/regulation by government agencies.
6. Increased automation is to be considered.
7. Separation of planning from execution needs revision. The modern concept of participative management. Taylor’s ideas were given when democracy was not deeply rooted.

However, some core ideas of Taylor are relevant even in post-industrial economies. For Ex – focus on efficiency, cost control, reducing wastage, harmony between workers and managers, scientific selection, training and placement of workers. That is why Taylor’s ideas saw a revival in the 1990s in the form of New Taylorism.

Q. What light does Antonlo Gramsci’s critique of Taylorism throw on its socio-psychological underpinnings? (2012)

His criticism of SMT was that SMT was an attempt by capitalists to prevent revolution by workers. It was an attempt at passive revolution and hegemony by capitalists. SMT assumes that every worker is REM.

The sociological underpinning of SMT

1. No role of informal organisation and work groups;
2. Social needs like recognition, status etc..; were ignored;
3. Considered workers as atoms.

Psychological underpinning of SMT

1. No scope for workers for creativity because of the separation of planning and execution;

2. No challenges at the workplace because workers shall use only one best method;

3. Dissociation of mind from body/action (Harry Braverman).

Thus, according to Antonio Gramsci, SMT was another way for capitalists to build hegemony over workers and prevent revolution and counter-hegemony by workers.



Although many people talked about bureaucracy much before Weber and after Weber, he was the first person to devote a systematic and scientific analysis of bureaucracy as an effective tool for the orderly functioning of any large organisation using the system of **legal-rational authority**.

The term bureaucracy was first coined in France in 1745 by Vincent De Gourney.

Definitions of Bureaucracy

Karl Marx – “Bureaucracy is the instrument by which the dominant social class exercises its influence over other social classes”.

He had strongly negative views about bureaucracy. Marx used the word Bureaucracy in a pejorative/negative sense – as tied to the capitalist state. It is a social force through which the interests of capitalists are implemented.

Gaetano Mosca – “Bureaucracy is the basic feature of governance of big empires”.

Robert Michels – “Bureaucracy is an oligarchic structure where elites dominate and their domination rules out the possibility of internal democracy”.

Max Weber – a) “A model of organisation which will have an administrative body of appointed officials who will function on the basis of legal-rational authority and rules”.

b) “The instrument for exercising legal-rational authority arguing that such a system or organisational model is indispensable for achieving rationality and efficiency”.

Prevailing circumstances

Because of the industrial revolution, Germany had economic progress but there was political and administrative instability due to the spoils system. Weber proposed his bureaucracy model as capable of achieving maximum rationality, objectivity, rule-based controls and legal-rational authority.

Assumptions

1. **Closed systems approach** – the functioning of bureaucracy is not affected by external factors.

2. **Rationality** – It is a selection of the right means or instruments to achieve the goals.

3. The objective of bureaucracy is **to maximise efficiency**. The efficiency of bureaucracy is in terms of its ability to bring stability and continuity in administration.

Weber seeks answers to two questions,

a) Where does the power lie?

b) Why do people obey commands?

Answers are ‘position’ and ‘legal-rational authority’.

His ideas on Power and Authority

A person is in a position of power if he is able to get his orders implemented despite resistance. Authority means dominance, which leads to willing obedience, unlike power.

Types of Authorities

1. **Traditional authority** - When followers have respect for traditions, customs, culture etc.; for example – the authority of parents, kings, and religious leaders. It is an irrational authority because it is based on an irrational source. It is temporary because it will be rejected once followers stop believing.
2. **Charismatic authority** - Ruler exercises authority over followers because of the charm or supernatural powers believed by people. It is irrational because it is temporary in nature.
3. **Legal-Rational authority** - It is based on laws, rules and objectives of the organisation. Permanent in nature and survives for a long time.

Features or Characteristics of the Bureaucracy Model

According to Weber, **the Bureaucracy model is an ‘ideal type’ or ‘mental map’**. It is a collection of features that he would ideally want in his organisational model. When these features are fully developed, the bureaucracy model

becomes the most rational way for achieving organisational goals. This indicates that the mental map or ideal type of bureaucracy as Weber visualises may or may not really exist in its ideal or fully developed form. In reality, bureaucracy has many weaknesses and dysfunctions.

Weber disagrees with Marx and Lenin that bureaucracy is tied to capitalism and will disappear when capitalism is overthrown by the socialist revolution. Weber insists that bureaucracy is an independent entity and it will survive whether the society is capitalist or socialist. He regards bureaucracy as an indispensable component of society.

Following are the features of the bureaucracy model of Weber as given by Martin Albrow –

1. Impersonality or personalised behaviour

The members of the bureaucracy perform their duties in an impersonal manner. Their official functions are not to be influenced by their emotions, liking disliking or preferences. It is the feature of 'sine ira et studio' i.e. 'without hatred or passion'. Bureaucrats are supposed to obey the command of law or position and not of a specific person;

2. A clear hierarchy of officers arranged from top to bottom;

3. The functions of each office are clearly specified. This leads to the division of work and specialisation;

4. Appointment of officials based on merit and not spoils. Also, appointments will be contractual. (It builds loyalty);

5. Graded salary which is a by-product of hierarchy;

6. This job is the only occupation of the bureaucrats that ensures loyalty and long-term bonds (Civil Services conduct rules in India do not allow civil servants to do any trade, business or speculation in the stock market);

7. A career structure where promotions are based on seniority, merit and superior's judgement;

8. Officials cannot use office resources for personal use;

9. Unified control and disciplinary system;

10. Neutrality – Weber emphasised two different types of neutrality – political and value;

a) **Political neutrality** – Bureaucracy can be efficient only when it is completely neutral in its functioning. As part of the politics-administration dichotomy, the political executive is different from the permanent executive. Bureaucracy has expertise and therefore only assists the political executive in policy formulation. Weber believed that bureaucrats are expected to provide unbiased and rational advice to political executives. This is possible only when they have no political ideologies of their own. If they are politically biased, it will lead to unbalanced polity i.e... politicisation of bureaucracy.

b) **Value neutrality** – Max Weber is of the view that bureaucracy is an instrument to achieve the goals of the organisation efficiently and rationally. Bureaucracy is an instrument in the hands of the political executive. As an instrument, bureaucracy cannot have any value of its own. Bureaucracy should only strictly implement the policies formulated by political executives according to established rules and regulations. Weber defined the efficiency of bureaucracy in terms of its ability to maintain stability and continuity in administration which can be achieved only when the rule of law is followed. Bureaucracy can follow rules only when they are value-neutral;

11. Bureaucracy shall function on the basis of written communication. It leads to clearer communication and helps in fixing accountability by acting as evidence and also for information purposes. For example – under RTI;

12. Anonymity – Bureaucrats remain anonymous in their functioning because they are instruments. They don't seek any publicity for themselves. They performed duties from behind the stage.

Criticisms of the Bureaucracy model

1. **Peter Blau: 'A Priori Model'** – According to him, Weberian model has some prior assumptions which he takes for granted. Those assumptions may or may not work in real practice. Thus the dysfunctions of the bureaucracy model have been ignored.

2. **Carl Friedrich: ideal type** – oxymoron (positive discrimination) – He was of the opinion that the attribute of bureaucracy of being 'ideal type' is an oxymoron because an ideal thing does not have types and anything that has types cannot be ideal.

3. **Reinhard Bendix: Rules not really followed** – He argued that in reality, rules are not followed as stringently as it is assumed in the bureaucracy model. Bureaucracy has been functioning on the ideology – 'Show me the man, I will show you the rules'. This shows that rules are not really sacrosanct and are not the same for everyone.

4. **Victor Thomson: 'bureau pathologies'** – He gave the term 'bureau pathology' affecting the bureaucrats with an exaggerated focus on hierarchy and rules which leads to ends-means reversal i.e... rules which are made to help achieve the common goals, actually end up becoming goals themselves when there is extensive focus on the following rule.

5. **Robert Merton: 'Goal displacement'** – He has given one of the most comprehensive criticisms of the bureaucracy model:

a) **Dysfunctional outcomes** – Merton argued that actual bureaucratic functioning leads to many unexpected, unintended and detrimental consequences that adversely affect the goals.

b) Goal displacement – He argued that because of dysfunctional effects, the instrumental values tend to become terminal values.

c) Trained incapacity – It seems that bureaucrats are “trained” in rule adherence rather than performance.

6. **Alvin Gouldner** – He also criticised the bureaucracy model along the lines of trained incapacity. Bureaucrats are trained to follow rules and not make mistakes and the best way of not making mistakes is not doing anything. Hence, it is also said that even intelligent initiative is incompatible with bureaucracy because any creative initiative increases the chances of mistakes and can put the bureaucrat in trouble. Thus excessive focus on rules makes bureaucracy rigid leading to bureaucratic apathy – a lack of enthusiasm in officers.

7. **Northcote Parkinson: Parkinson’s law** – He has given the famous Parkinson’s law which is actually sarcasm. He points to the typical bureaucratic attitude of empire building or clout building, bureaucrats typically create work so that they can add unnecessary resources, personnel and facilities. This is also a kind of goal displacement because individual goals i.e. desire for status and clout receive more attention than organisational goals.

8. **Lawrence Peter: ‘Peter principle’** – He has given the famous ‘Peter principle’ which is also a sarcastic principle that points out that in bureaucracy there is a tendency for everybody to rise up in the hierarchy to his level of incompetence i.e. hierarchical up-gradation is no guarantee for commensurate/appropriate up-gradation of skills.

Talcott Parson used the term ‘internal inconsistency’ to refer to the same phenomena.

Criticism by behavioural thinkers

1. **Herbert Simon and March** - There is excessive concern for formalism rather than human beings. The bureaucracy model neglects the primary resource which is the human resource of the organisation.

Herbert Simon says that:

- The feature of impersonality is inconsistent and incompatible with the classical feature of *Espirit de Corps*.
- Faceless relationship (Robotic).
- Does not support personal and emotional bonding.
- Creates official distance.

2. **Chris Argyris** – Excessive focus on structural and formal features is not compatible with mature human personalities.

“Bureaucracy is unsuitable for third world countries or complex environments”.

Max Weber referred to his model as the universal model but when he gave his ideas, there was no such concept as developed vs. developing world or third world countries. Hence, when his model was extended to these nations, it came out that this model was incompatible with these countries. Hence, the bureaucracy model is not universal in nature. Thus critics argue that Weber’s bureaucracy model lacks empirical validity.

Robert Presthus – referred to the bureaucracy model as alien culture i.e. western culture which makes it unfit for several other nations.

F.W.Riggs – According to him, Weber’s bureaucracy model assumed an autonomous bureaucracy which is not fully present in developing countries making the model inconsistent. It also makes Weber’s bureaucracy model non-ecological as it does not take into account environmental or external factors.

Clause Offe – In his book published in 1985 entitled ‘Disorganised Capitalism’, he talked about the inevitable failure of bureaucracy in complex environments of developing countries. He argues that the main reason is an overemphasis on organisational rationality ‘rather than systemic rationality’, a concept coined by him. He recommends systemic rationality which is a modified version of pure legal rationality under the ideal type a bureaucrat who is systemically rational and is sensitive to societal aspirations and public welfare therefore rather than blind adherence to rules, he shows intelligence and the required amount of flexible initiative it prevents civil servants from becoming machines.

The concept of value neutrality was extremely criticized. It is neither desirable nor feasible. Civil servants are expected to bring socio-economic change. This is possible only when civil servants have values like empathy, compassion, sense of justice, equity, honesty and service orientation. Civil servants must possess the right kind of values.

The last and most significant criticism of Weber’s bureaucracy model is that according to Weber, once fully developed, bureaucracy is the hardest instrument to destroy and can transform itself into institutional bureaucracy i.e. which wants to preserve its own power and its own selfish interests. Thus, instead of national interest (*Staatsraison*) bureaucracy preserves its own power in the state. Even Max Weber himself was apprehensive that a powerful bureaucracy could lead to an unbalanced polity where bureaucracy does not remain just an instrument but it usurps the role of goal setting or policy formulation because the political master cannot match the knowledge and expertise of bureaucracy.

Post-Weberian developments

The bureaucracy model didn't work in third-world countries because of external factors and thus became dysfunctional

and faced criticism. Therefore, administrative thinkers decided to modify or replace bureaucracy.

As part of the modification came New Public Administration (NPA), Critical Theory, Public Choice Approach, and New Public Management. This failure also gave birth to Comparative Public Administration and Development administration.

Q. “Bureau-pathology denigrates competence in organisation.” Explain. (2019)

According to Victor Thomson, excessive focus on structural aspects of an organisation like hierarchy, rules, impersonality etc. leads to goal displacement and ends-means reversal.

According to Talcott Parsons, hierarchy and competence lead to internal inconsistency. Excessive focus on specialisation leads to occupational psychosis (given by Dewey) i.e... boredom and inefficiency and resultant dysfunctional effects on human performance. It also leads to professional deformation (given by Warnotte) i.e... human capabilities get blunted because over-specialisation is antagonistic to innovativeness.

Q. “The concepts of rationality and efficiency are intertwined in the bureaucratic analysis of Max Weber.” Comment. (2018)

Rationality in bureaucracy means

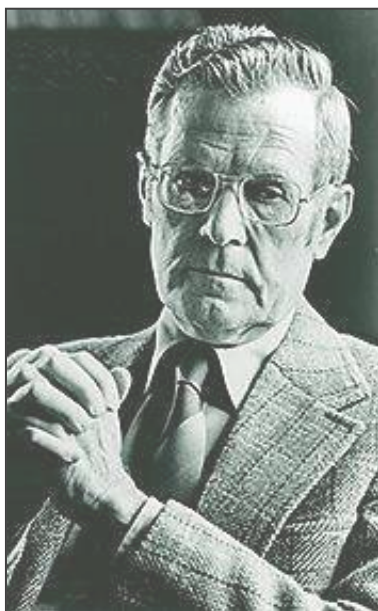
1. Rule orientation,
2. Impersonality,
3. Specialisation,
4. Hierarchy,
5. Merit-based recruitment,
6. Written communication – helps to fix accountability, also more clear and
7. Value neutrality.

Q. “Weberian model of bureaucracy lacks emotional validity when applied to modern democratic administrations.” Comment. (2003, 2015)

The bureaucracy model lacks emotional validity because its features like hierarchy, impersonality and value neutrality create excessive formalism, and officiousness, superiors inaccessible, and neglect human rights.

Whereas, modern democratic administration requires an emphasis on informal organisation, employee concern and not just job concern, flat organisations, participative management, and development of human rights.

New Public Administration



INTRODUCTION

In the second half of the 20th century, the prosperity and power of the USA increased rapidly but at the same time, social tensions and unrest also grew among certain sections of society like minority groups, unemployed sections of society and certain sections of highly sensitive youth groups. The country was deeply involved in South East Asia, i.e., Vietnam War which was primarily being fought by youth & poor. There was a steady decline in the commitment and faith of Americans in the government & administration. It was strongly debated as to how to strengthen the political and administrative capabilities so as to better solve the challenging societal problems. There was growing disillusionment and disenchantment from the government.

Against this backdrop, in Sep 1968, **Dwight Waldo**, a young professor at Maxwell School sponsored a conference of young scholars at the Minnow Brook Conference Site of Syracuse University. This conference is popularly called **the Minnow Brook Conference**. Dwight Waldo was concerned that:

“Neither the study nor the practice of public administration was responding in adequate measure to the mounting turbulence and the critical problems of the day.”

Features or goals of NPA:

1. **Change:** the objective of PA should be to bring change and not be the status quo. Change means socio-economic transformation –

- (a) poverty alleviation,
- (b) increase in GDP,
- (c) reduction of inequalities etc..

Change also means a change in bureaucratic institutions because bureaucracy has a self-serving tendency. Weberian bureaucracy can't bring change because of trained incapacity.

1. **Values:** without values, public administration can't bring change. Thus, it has to start dealing with values, that is, they'll need to adopt a policy perspective rather than being value-neutral (rejection of politics-administration dichotomy). Value neutrality promotes inequality and goes against the objective of social equity and transformation. Especially in developing countries, public administration should have values like empathy, pro-poor etc..
2. **Social equity:** the NPA philosophy argues that public administration should become an instrument of social and redistributive justice. Blind equality creates further inequalities. NPA philosophy argues for affirmative action in favour of deprived and marginalised sections of the population. It was also argued because environmental forces are against the poor, therefore PA should be in their favour.

Fredrickson has said that *“A public administration which fails to work for changes, which try to redress the deprivation of minorities, is likely to be used to repress those minorities eventually.”*

1. **Relevance:** public administration as an academic discipline can remain relevant as long as it is able to provide solutions to the critical problems faced by practitioners of PA in the dynamic environment. The real PA should ask relevant questions and seek relevant values. The traditional PA wasn't asking relevant questions in times of huge turbulence. A management-oriented public administration having its interest in efficiency and economy isn't relevant PA.
2. **Customer orientation:** NPA advocates a client-focused approach. It stresses not only providing goods and services to clients but also giving them a voice in how, when and what is to be provided. It requires positive, proactive and responsive administrators rather than authoritarian and ivory-tower bureaucrats.

ANTI-GOALS OF NPA

Dwight Waldo himself described NPA as what it is and what it isn't. According to him,

1. NPA is normativism and not positivism (Normative is 'what should be' and positive is 'what is').
2. NPA is activism and not scientism.

Golembiewski has described 3 anti-goals of NPA as given in the 1st Minnow Brook Conference:

1. **Anti-positivist:** PA shouldn't be value neutral, status-quoist. They rejected any definition of public administration which said that it doesn't have a role in policy-making (rejecting the dichotomy).
2. **Anti-technical:** PA shouldn't focus excessively on structure, rules & regulations, hierarchy, or treating humans as machines.
3. **Anti-hierarchy:** no red-tapism, delays, insensitivity, rigidity.

CRITICISM OF NPA

1. **The desirability of the goal of social equity:** In the USA, the main emphasis has always been on competition and individual initiative. Adoption of the goal of social equity was always seen with scepticism and never found easy acceptance. This was the main reason why the New Public Administration as a movement did not last long in the USA and soon lost momentum. Social equity would've taken the US to socialism while it was a hardcore capitalist society.

Victor Thompson said, "*The value orientation can harm the professionalism, impersonality and equality which are essential in public service.*"

The objective of socialism can't move along with the objective of capitalism, that is, the 3 E's (effectiveness, efficiency and economy).

In this light, Golembiewski said, "*NPA was a temporary and transitional phenomenon which deserves to fade away.*"

1. **Over-ambitious radicalism (extreme suggestions):** The NPA was well-intentioned but over-ambitious and over-optimistic ideas. It was argued that the vision was too idealistic and wasn't practical in view of ground realities.

Golembiewski said, "*NPA was radical and revolutionary in words but status quo in skill and technologies.*"

During the III conference, political difficulties were realized in terms of interconnected problems, resource constraints and less policy-making freedom for administrators. Further, it was realized that improved public personnel management skills and improved use of technology are crucial for actually bringing about social change.

1. **Politicisation of administration:** It was argued that in the name of equity, there is a possibility that populism, appeasement and vote bank politics may start, thus adversely affecting the administration. In this context, it is significant to note that **F.W. Riggs** has described the feature of poly-functionalism or "**CLECTS**" to explain a significant feature of under-developed societies. Under this feature, politicians and administrators have a tendency to act based on their 'client' associations rather than based on impartial merit. Thus, equity is a difficult goal under most circumstances and has a huge potential to be misused.
2. **Hardly anything new:** NPA was attributed to the old wine in the new bottle. The Progressive Movement of the 19th century also argued for socialist features by exposing the ill effects of capitalism.

Fredrickson said, "*NPA has newness not in threads but in the way the fabric is woven, and also in the arguments about how to use this fabric.*"

NPA was an accumulation of such ideas which were present disjointedly from time to time in the past.

1. **Dunn and Fozouni** argued that NPA has resulted in the propagation of an illusion of paradigm shift or revolution within the field. (And not the real paradigm shift).
2. Critics opine that the protagonists of NPA are turning to arrogate to the public administration what actually falls within the legitimate sphere of political science.
3. The phenomenological approach proposed by NPA hasn't encouraged theory building in PA. Contribution of NPA / NPA's enduring legacy.

R. K. Arora has summarised the contribution of NPA as follows:

1. It has pushed the discipline of PA towards greater relevance for critical problems of the day.
2. It has strengthened client orientation in PA.
3. It has strengthened the policy perspective in PA.
4. It has brought the academic discipline of PA closer to the practice and profession of PA.
5. NPA has intensified the activism and ecological orientation of the PA community.
6. NPA struck coup de grace (killed with dignity) to politics-administration dichotomy.

NPA philosophy got a revival in the 21st century after NPM in the form of a new public service model of Denhardt & Denhardt. They called their model reminiscent of NPA.

Q. "The phenomenological approach advocated by the New Public Administration has obstructed the path of theory building in Pub ad." Comment. (2018)

Q. “The New Public Administration has seriously jolted the traditional concepts and outlook of the discipline and enriched the subject by imparting wider perspective by linking it closely to the society.” (Felix A. Nigro and Lloyd G. Nigro). Elucidate (2016)

Q. “New Public Administration is.....A revolution or radicalism in words, and (at best) status – quo in skills or technologies.” Comment (2009)



Public Choice Approach

This approach has its origins in Economics. It has been applied in decision-making in public administration. The public Choice Approach examines the question – the collective decisions taken by politicians and public administrators, are they really in the public interest? If not, what can be the alternative? The core argument is that if the choices for the public are not being made in the interest of the public by a collective decision-making process, then let the public/people make those choices.

Public Choice thinkers have questioned the basic assumption made by Max Weber regarding the behaviour of bureaucracy. Max Weber assumed that bureaucrats are instruments in the hands of the political executive only to implement policies formulated by the political executive. According to critics, bureaucrats are not instruments, rather they are human beings. As human beings, they have their own interest. They are always guided by self-interest. In case of any conflict between their own interest and the welfare of society, they always give importance to their self-interest. This behaviour is described as *self-aggrandising behaviour*. They are more interested in maximising their own utility (satisfaction). Under these circumstances, public choice thinkers recommend dismantling the monopoly of public administration in providing services.

Main propositions of the Public Choice Approach (PCA)

1. Human behaviour is governed by self-interest

PCA uses a concept of economics namely ‘utility maximisation’ and argues that every human being is a *utility maximiser* for self and remains a utility maximiser under all circumstances. Therefore even a politician or bureaucrat is acting in self-interest.

2. Rational Man

Every man is a *rational economic entity* who is a utility maximiser for himself. Every person can rank the alternatives and choose the best alternative in self-interest. Rational choice is the modern application of pleasure and pain calculus.

3. Government as a collection of individuals

PCA argues that government is nothing but a collection of individuals who are essentially self-utility maximisers. It would be wrong and unrealistic to assume and hope that these individuals will change their basic characteristics. In this context, James Buchanan observed: “The simple view that government’s collective decision-making process solves social problems selflessly and in common interest is just romanticism in politico-administrative theory”.

4. Theory of government failure

One of the key arguments given by PCA is that “if the market can fail, so can the government”.

5. Pareto efficient distribution of goods (given by Vilfredo Pareto)

The concept of *Pareto efficiency* of Pareto optimal distribution of goods was given by an Italian Economist Vilfredo Pareto. In society, the goods to be distributed are usually limited whereas the people who demand those goods are almost unlimited. These goods can be status, prestige, positions of power, wealth, bureaucratic positions etc.; If these scarce goods are distributed in such a manner that no one can be made better off without making anyone else worse off, then such a distribution of goods is called Pareto efficient or Pareto optimal. One of the roles of government is to distribute these goods to the members of society. This distribution can be based on merit or need or special circumstances need cum merit. However, PCA argues that government is nothing but a collection of selfish individuals. Therefore government cannot achieve the distribution of goods in a Pareto efficient manner, the government’s monopoly in providing and redistributing goods and services should be dismantled and the market should be allowed to take care of the distribution of goods and services. The market is based on free and informed transactions between different players (usually seller and buyer or service provider and the one who is availing service). Every entity in a market-based transaction maximises self-utility and thus leads to Pareto's efficient distribution of goods.

Why State/government can also fail?

1. Rent-seeking theory

According to this theory, public policies are not made in the public interest because there are powerful interest or lobby groups. Political parties are funded by these groups and then there is rent-seeking behaviour.

2. Capture theory

This theory says that there are powerful interest groups that influence and sometimes capture regulatory agencies that regulate the market. These groups seek particular laws and policies. For example – land use laws, excise laws, mining laws, spectrum allocation laws.

3. Theory of self-serving loyalty (given by Anthony Downs)

Main scholars of PCA

1. Anthony Downs

He wrote two famous books – ‘An Economic Theory of Democracy’ & ‘Inside Bureaucracy’

He explained PCA from a psychological perspective. In his book, he applied PCA to politics and then to public administration. In politics according to him, people cannot make rational decisions because of the non-availability of alternatives. Even if available, it is difficult to make rational choices because of a lack of information. Anthony Downs applied PCA in public administration and explained the psychological motivation of people to join the bureaucracy.

According to him following are five categories of civil servants

- a) Climbers - Those who want to climb in the hierarchy,
- b) Conservers – those who are stable in their job,
- c) Advocates – to promote or advocate their own ideologies,
- d) Zealots – those who are radical or recommend revolutionary changes. They have rigid behaviour, are good at building institutions but not necessarily good at running them,
- e) Statesmen – they join the bureaucracy to serve the society selflessly. They do not show any interest in rewards for their work, promotions, positions etc.; but only work for the maximisation of people’s welfare.

According to Anthony Downs, for any society, it is not desirable to have a bureaucracy that is dominated by psychological motives other than statesmen. Such a bureaucracy cannot work for the welfare of society. Therefore, they should not be given a monopoly in public service delivery. It leads to inefficiency and corruption because public administration has no personal stakes in the efficiency success or failure of public organisations. They are not governed by market discipline (perform or perish).

2. William Niskanen

He explained PCA from a neo-classical (behavioural perspective). He explained bureaucratic behaviour from the perspective of the entire bureaucracy. He wrote a famous book – ‘Bureaucracy and Representative Government’ in which he argued;

a) Bureaucracy does not provide optimum public service delivery because there is hardly any incentive for minimising cost and maximising service.

b) Bureaucracy seeks budgetary allocations for self-aggrandising motives, as a result, there is wasteful and unnecessary spending of public resources. This is called a ‘*budget maximisation attitude*’.

The head of the Ministry, i.e. Minister has little experience of running the affairs of the Ministry. While preparing the budget estimates of the Ministry, depends on proposals of bureaucracy. Bureaucracy always demands more funds than needed because if they have more funds, they can spend more money and become powerful. According to Niskanen, this behaviour of bureaucracy comes in direct conflict with the welfare maximisation objective of the government.

Bureaucracy cannot be expected to work for people selflessly and therefore should not be given a monopoly in the delivery of public services. Niskanen gave the concept of a ‘*bilateral monopoly*’ of government and bureaucracy.

Bureaucracy is a service provider and government is the buyer. Both are monopolies. Therefore, bureaucracy tries to maximise its budget acting as a utility maximiser.

Later, Dunleavy modified and extended the ideas of Niskanen. According to him, there is a limit to budget maximisation in higher bureaucracy. Therefore senior bureaucrats rather than maximising their pecuniary or monetary gains, try to maximise non-pecuniary gains like status, symbols of power etc.;

As a result, William Niskanen suggested:

- a) Increase competition by increasing the number of institutions.
- b) Increase incentives for bureaucracy to be efficient and performance-oriented.

3. Vincent Ostrom

He wrote a book in 1974 entitled ‘The Intellectual Crisis in American Public Administration’. He was hugely critical of the ‘dominant government organ model’ of public administration. Public administrations should not be the only

dominant organ. It should not have hegemony powers. There should be multiple competing players. There is a need to switch from a dominant administration to a democratic administration.

Critical appraisal of PCA

Although PCA became a dominant paradigm in public administration from the 1970s onwards and led to various market-dominated themes in the administration like NPM, good governance etc.; it is not free from criticisms.

1) Possibility of elitist bias

PCA advocates a laissez-faire system that involves private service providers. It is to be noted that since private players work with the profit motive, they may not come forward in sectors where mega profits are not anticipated. Also, a market-based economy may lead to imbalanced regional development, consumerism and poor prioritisation of economic development. Also, the user-pay relationship will end up catering to only the wealthy clients who have the capacity to pay for their services. It will leave behind the development of the poor and disadvantaged.

2) Choices are often illusionary

Even when pluralism is created, there is no guarantee that multiple choices will be available. Those choices still remain imaginary for a common man because

- a). on many crucial collective goods like electricity, railways, drinking water etc. there may not be any choices because either the government retains it with itself or privatises it to a few players again creating their monopoly.
- b). Private players shall offer their services to replace governmental entities only in those areas where they anticipate a profit. Thus, it is possible that in the name of privately based institutional pluralism,
 - Public monopolies will be replaced by private monopolies.
 - Clandestine private interest will be replaced by overt private interest.

3) Imposition without context sensitivity or the possibility of monoculture

Recommending market-based institutional pluralism is a rightist-capitalist ideology that may be suitable for developed countries but not so much for developing countries. Western aid agencies like the IMF, and World Bank often impose PCA and liberalisation ideas in the form of aid conditionality. It is even argued that there is a hidden agenda of promoting Western economic interests in the name of liberalisation.

4) Flawed assumptions

It has been assumed by PCA that humans always behave as *Rational Economic Man* (REM), but it is not true because humans have emotional, psychological, social and ethical dimensions. Altruism (kindness) is as common as selfishness.

Conclusion

Thus PCA is not the final word on the way Public Administration should be run. The State vs. Market debate is far from being settled and there is always a requirement of harmonious balance between the two.

Q. Discuss how the Public Choice Theory promotes the concept of Steering and undermines concept of Rowing in visualising efficient and effective administration. (2015)

Q. On a more sophisticated plane public choice is concerned with “Pareto optimality”, or at least with “Pareto improvements.” Comment (2012)

Q. Whereas Downs’ Model is largely dependent on a theory of psychological motivation, Niskanen’s Model is framed by neo-classical thinking. In the light of the above, discuss the public choice approach to decision making. (2011)

New Public Management

When capitalism/markets failed in the 1920s, governments started adopting socialist/leftist policies (till the 1920s, rightist forces were dominant – individual liberties, capitalism).

In socialism, the state plays a dominant role in the functioning of the economic system and the private sector is controlled by the government by LQP Raj (License quota permit raj). PSE has a monopoly over the service delivery mechanism. But in the 1970s, this public administration-controlled economy started showing weaknesses in the form of high fiscal deficit, high debt, and high BOP deficit. Things were made worse by the oil shock of the 1970s causing severe inflation.

Till the 1920s (negative liberalism) à 1930s-70s (welfare state, positive liberalism, state-dominated markets) †
 1980s-90s (neo-liberalism, neo-rightist, rolling back of the state, the state was steering rather than rowing).

The above reasons led to the adoption of neo-right philosophy moving from leftism to rightism. This came to be known as neo-liberalism (F. A. Hayek), aka Reaganism (Ronald Reagan) or Thatcherism (Margaret Thatcher).

Drivers of New Public Management	
Contextual driving forces	Theoretical driving forces
<ul style="list-style-type: none"> · Fiscal crisis faced by governments, · A plethora of public institutions and agencies, · Inefficiencies, · Non-accountable system, · Innovation in technology and information, · Globalization and market competition, · Demand for quality in public service delivery. 	<ul style="list-style-type: none"> · Neo-liberal view (Von Hayek), · Public choice theory, · Transaction costs theory, · Principal-agent theory, · Thatcherism.

Theoretical foundation or basis of NPM Neo-liberal / Neo-right view

(Has been discussed in the introduction part)

PCA

(Has been discussed in the previous topic)

Principal-agent theory: The Principal is the main stakeholder and the agent means the instrument. This concept says that government bureaucracy is an agent and citizens are the principal and thus, like any agent-principal relationship, here also, there is a possibility that the agent tries to maximise his interest rather than the principal's interest.

Therefore, this theory argues to create accountability for the agents. It calls for performance-based contracts or open contracting-out.

Transaction cost theory: Given by Oliver Williamson (Nobel Prize awardee, 2009 along with Elinor Ostrom). It argues that every transaction has a cost, thus, even the services provided by public administration have a cost. The argument is that if the cost of in-house production of the services, say, banking, security, healthcare etc. is more than the outsourcing price from a private player, then it must be outsourced.

Critical theory (by Jurgen Habermas) and Post-Buaucratic Paradigm (By Barzelay): Both these theories criticise the bureaucratic style of functioning and argue that hierarchical structure is against the interest of the client. As a result, they recommend de-bureaucratisation and democratisation.

Managerialism or Neo-Taylorism: Given by Christopher Pollitt. He coined the term 'Managerialism' and strongly recommended the incorporation of management practices of the private sector into the public sector like neo-Taylorism. Pollitt's managerialism (1990) reaffirmed faith in Taylor's scientific ideas. He argued for the following (Neo-Taylorism):

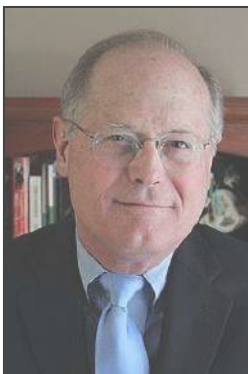
1. Strategic planning,
2. Result-orientation,
3. Quantifiable performance targets,

4. Autonomy and Flexibility to public managers,
5. Efficiency, speed and quality,
6. Cost-savings,

These features recommend public administration to become management-like and thus, it was a stepping stone to NPM philosophy.

NPM APPROACHES

Re-inventing model / entrepreneurial government (1992): The Reinventing Model went on to become a hugely popular Paradigm of modern public administration. Almost immediately offering the propagation of this model, the American government initiated a reform movement called **NPR- National Performance Review** at the initiative of the then Vice-President Al Gore. Accordingly sweeping administrative reforms as suggested by the reinventing model were carried out in the US. Soon many other developed countries followed suit. Eventually, international funding agencies and multilateral organizations like IMF, the World Bank, and United Nations Development Program started recommending reinventing government ideas to virtually every developing country receiving financial aid or assistance.



David Osborne (left) and **Ted Gaebler** (right), on their part, were convinced that their model and the New Public Management philosophy was the best remedy for the ills faced by public administration.

In their book, they noted –

“We are lucky to be in public management at a time when truth has been discovered.”

Suggesting thereby that NPM was the truth and everything else was the wrong way of conducting public administration.

Features:

1. **Catalytic government:** Government that not just propagates public services but rather catalyses the provision of public service by promoting other sectors like the private sector, voluntary organisations etc. into action to solve community problems.
 - (a) The state became a facilitator from a doer.
 - (b) Market-based administration.
 - (c) 3rd party governance.
 - (d) Networked governance (network of NGOs, PPP, Government, Pvt, Joint ventures etc.).
 1. **Community-owned government:** Empower citizens and communities by reducing bureaucratic control over them. This would involve taking certain services and regulations out of the control of bureaucracy.
 2. **Competition-oriented:** Promote competition between diverse providers of goods and services. This also meant that the government could engage in steering rather than rowing.
 3. **Mission-driven:** Government agencies should have clear missions that should guide their performance rather than rules/values guiding them (driven by mission and not rules) – prevent the means-ends reversal.
- It focused on the politics-administration dichotomy as it was mission-driven and a mission-driven approach can be successful only if there is a separation between politics and administration.
1. **Performance-oriented:** Governmental agencies and departments should be focusing on output and not input and thus, should become result-oriented.
 2. **Customer-driven:** An approach that defines citizens or users of public administration as ‘customers’ and offers them a choice.
 3. **Enterprising government:** It will put energy into earning money rather than just spending money and would attempt to generate resources.
 4. **Preventive focus:** The government functioning should be anticipatory and should aim at prevention rather than cure of administrative problems.
 5. **Decentralised functioning:** The authority and control of the bureaucratic government would be dispersed and the government would embrace a participatory philosophy.
 6. **Market orientation:** The government would prefer a market mechanism to a bureaucratic mechanism and would look to leverage change through market forces.

Ten themes of Osborne & Gaebler's *Reinventing Government*

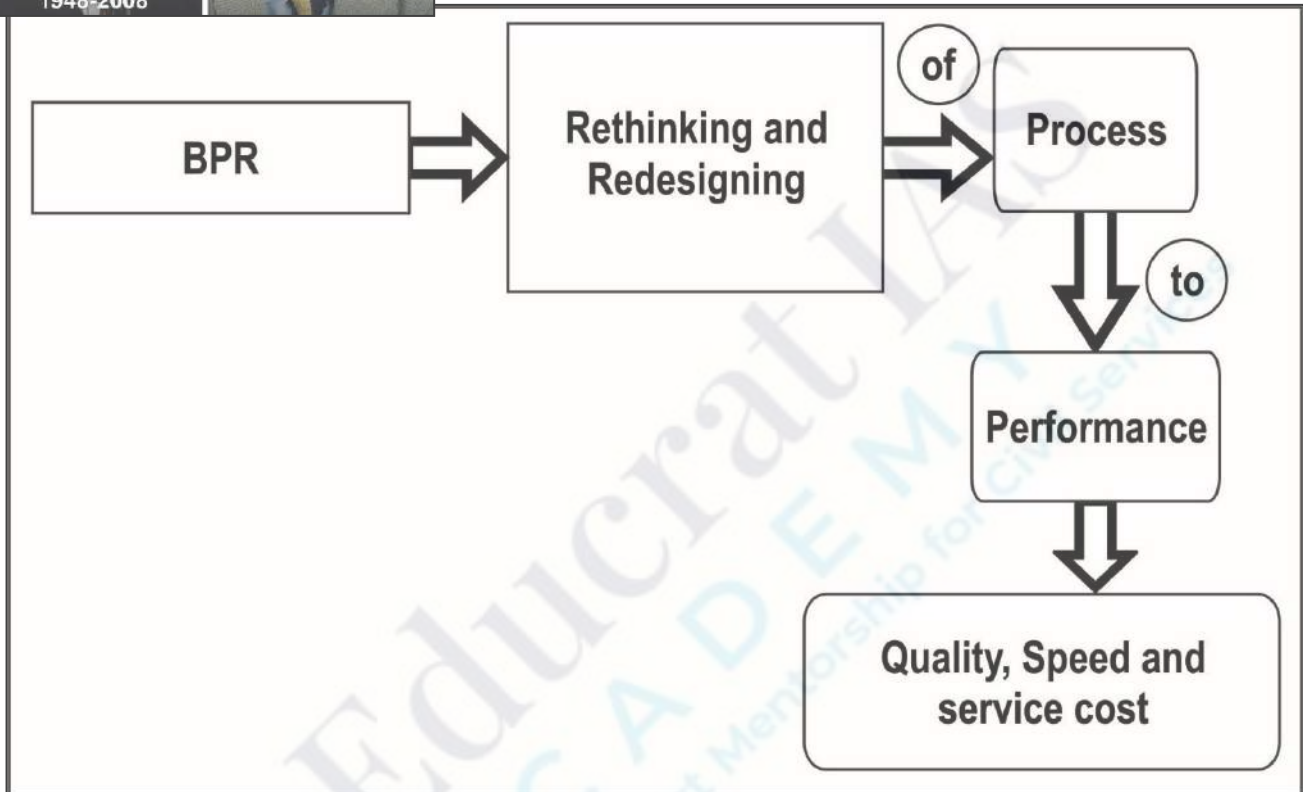
Catalytic	Steering, not rowing
Community-owned	Empowering, not "serving"
★ Competitive	Put competition in service delivery
Mission-driven	Not rules-driven
★ Results-driven	Focus on outputs, not inputs
Customer-driven	Customer needs, not bureaucracy's
Enterprising	Earning, not spending
Anticipatory	Prevention, not cures
Decentralized	Teamwork, not hierarchy
★ Market-oriented	Leverage change via the market

Re-engineering model (1993): Hammer and Champy wrote another popular book of seminal importance in 1993 entitled.



“**Reengineering the Corporation: a manifesto for business revolution.**” This book sought to give revolutionary ideas about streamlining and reforming any organization, private or public, through **BPR (Business Process Reengineering)**.

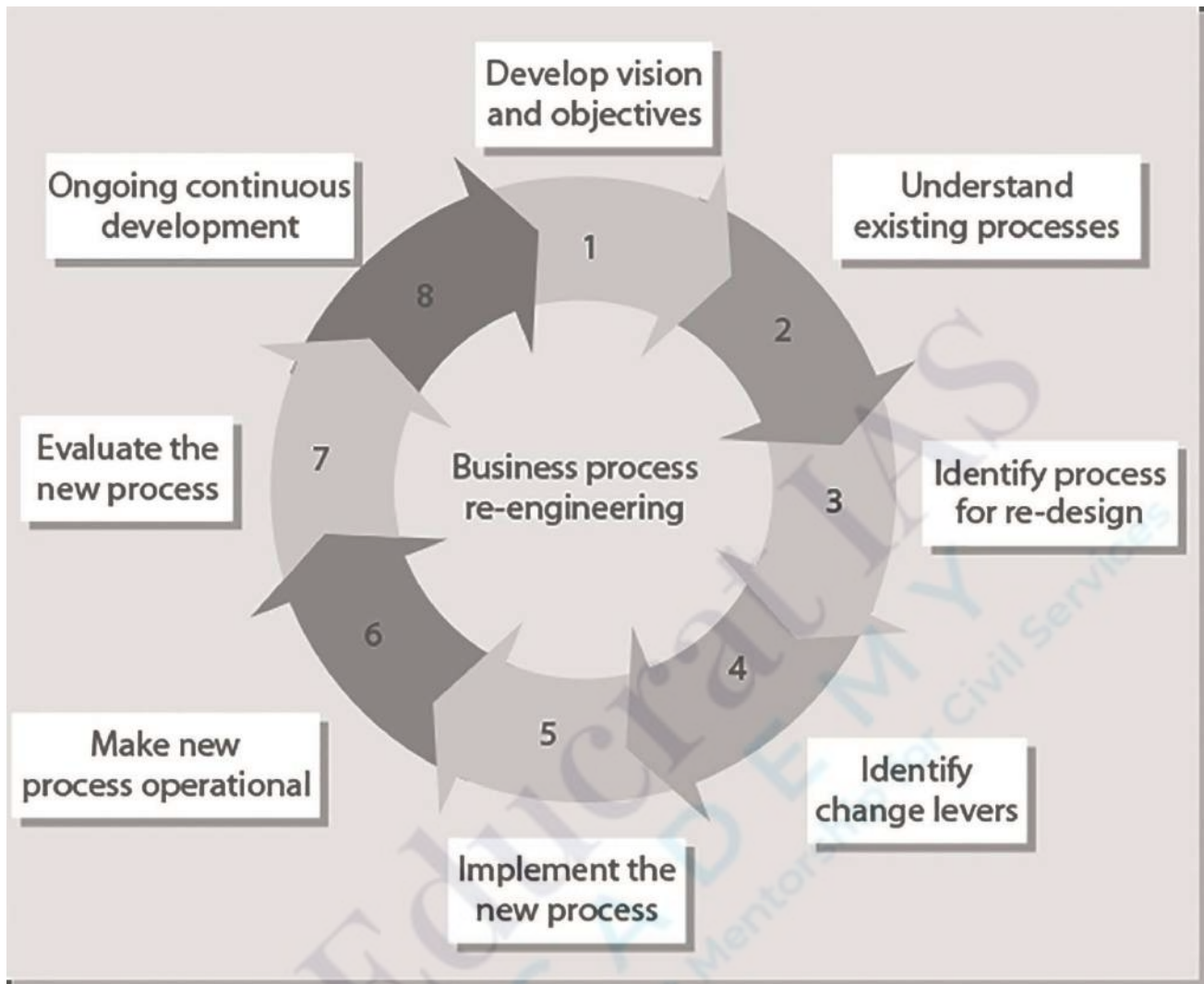
‘**Reengineering**’ was defined in this book as “A fundamental rethinking and a radical redesigning of processes in an organisation to achieve higher performance in terms of quality, service and cost.”



Features or Propositions:

- Processes are designed to suit the organisation.
- Different stages of a process should be performed in their natural order to have ease and speed for the client and also cost savings for the organisation.
- Simple tasks should be combined into multifunctional jobs so that:
 - (a) Customer gets the advantage,
 - (b) The size of bureaucracy can be trimmed. For example, the concept of single window clearance.
 - Work should be performed where it is done the best, i.e., many processes can be outsourced if they are performed better outside. (This is the commonality between reinventing and Re- engineering models and is also the link between Business Process re-engineering and BPO).
 - Information and Communication Technology should be used optimally for redesigning the work systems.
 - Flexibility in process i.e., even if a process is once established as efficient and cost-effective, there should be open-mindedness in reviewing it and following a ‘flexible dynamism’ rather than ‘rigid static-ness about processes. (In other words, Re-engineering is not a single episode of fire-fighting; rather it should be a continuous philosophy).

The Re-engineering suggestions found great acceptance across the board from private as well as public organizations. In public organizations, they were often adopted under a related mechanism called **O & M** and **Work Study**.



OECD model (1995): Various OECD doctrines of New Public Management were in circulation right from the 1980s, but the crystallization of the New Public Management concept happened around the mid-90s, especially in the form of effort by Christopher Hood and Walter Kickert. Within OECD countries, the UK, Canada, Australia, New Zealand, Norway and Iceland were the most active in terms of creating a New Public Management model.

Christopher Hood used the term New Public Management in 1991 to describe a performance model in the public sector that would emphasize the 3Es - efficiency, economy and effectiveness. He argued for professional management in public organizations, using the private sector style of management

Impact of NPM:

1. Delivery of high-quality service that citizens value
2. Citizens are reconceptualised as active customers rather than passive recipients of government service
3. Performance targets (citizen charters)
4. Increased operational flexibility for public managers

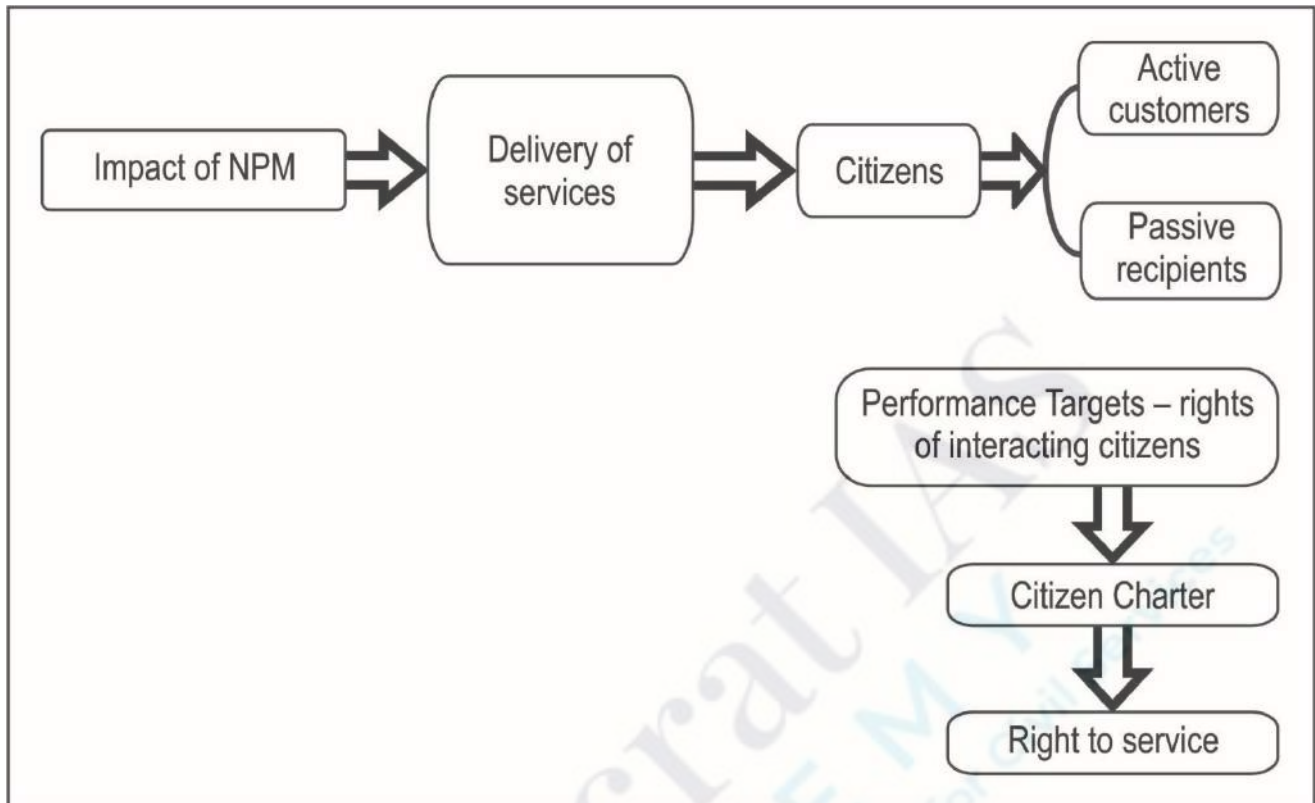
Christopher Hood said – let managers manage!

Increased operational flexibility to public manager so that they could make entrepreneurial decisions rather than waiting for hierarchical approval for every decision which cause delay and lead to missed opportunities for the government and harassment for the public.

In this context, Christopher Hood said - *“let managers manage!”* meaning that even public administrators ought to be treated as managers and should be given operational autonomy and flexibility. This increased autonomy was countered by increased accountability.

5. Public personnel management – better policies relating to training, motivation, communication etc.
6. Technological support for enhanced speed, convenience, transparency accountability etc.

7. Receptiveness to competition.



Thus, overall, the New Public Management perspective created a focus on private-dominated institutional pluralism and private style of government operations in the form of a leaner but more efficient government.

Criticism of NPM perspective:

1. The foundational concepts/theories of NPM aren't without criticism.
2. The welfare state becomes an entrepreneur state. The state considers itself as a service provider and considers citizens as customers. In developing countries, this would mean excluding the masses from services because the masses can't sustain a relationship with the government like user-pay.
3. Disguises private interest as public interest. NPM is corporate eliticism and consultocracy.
4. NPM is based on the working principles of the private sector. However private and public sectors differ in their core priorities and goals.
5. NPM isn't applicable in case of emergency functions like war, disasters like floods, earthquakes etc. because these cases can't be handled by the private sector. Also, cost-effectiveness can't be ensured in these scenarios.
6. Some countries don't have the resources and institutional base to implement NPM models yet, they are imposed on these countries. Thus, NPM is promoting global monoculture.
7. **Robert Hughes (2003):** New Public Management ignores the complexity of the socio-economic reality and therefore ends up operating only for the better-off classes who can sustain the economic relationship or user-pay relationship. The public-private similarity is challenged. The moment the government adopts steering functioning and third-party dominates, public accountability will come into question because there is no guarantee that the Private Player will assume public accountability. As a result, there is always a danger that profits are passed on to private players but responsibility stays with the government. The three important terms used by New Public Management namely, efficiency, public interest and customer-orientation are unclearly spelt and can be interpreted differently.
 - a. Efficiency is economic efficiency or socio-economic efficiency?
 - b. Public interest is the interest of the paying public or the general public.
 - c. Customer orientation or service quality- is it orientation in terms of quality of one-off service or "service as a broad philosophy"?
8. **Patrick Dunleavy (2006):** He proclaimed that NPM was dead. He argued that it is dead because post-NPM paradigms have been developed around the theme of 'digital era governance' (the model that he gave). He argued that in "digital era governance", there is digitization, i.e., the use of ICT and holistic or joined-up government.

Three public modes of public service organisation:



Q. “Accountability under New Public Management has undergone a radical change, although the focus has continued to remain on management.” Comment. (2020)

Q. Contractualism has become a favourite policy of the neoliberal forces, but not without its share of controversy. Argue. (2019)

Contracting out or outsourcing services to the private sector is the norm today. Every government is disinvesting, however, the government is contracting out only where the government cannot compete with private players in terms of resources or capabilities. But, contracting out has the following controversial aspects -

1. Promotes use and pay relationships.
2. Elitist.
3. Private Players may not accept public accountability.
4. The government has to ensure accountability and ethical governance of private players.

Unlike the times of negative liberalism, in neo-liberalism state performs welfare functions. The state provides basic services like primary health care, education, and primary infrastructure where the private sector is not willing to operate because of a lack of immediate and mega profits. The state has not gone back to times of laissez-faire state.

Q. Has New Public Management failed in promoting a democratic polity? Analyse in the contexts of individuals as a citizen and individuals as a customer. (2019)

Q. New Public Management has been branded by certain scholars as Neo-Taylorism. Is it a justified comparison? What factors have led to the decline of NPM so soon after its birth? (2017)

Post NPM Developments

New Public Service

Robert Denhardt & Janet Denhardt wrote a book in 2002 entitled 'The New Public Service – Serving, Not Steering'. The main theme of the book is that

- a) NPM gives a detached role to public administration.
- b) Steering or facilitating may lead to facilitating a few rather than all.
- c) NPM tends to be for classes and not masses.
- d) NPM makes the government a marginalised player/not a key player.
- e) NPM leads to democracy diminishing trend.

New Public Service recommends taking eliticism out of NPM. Denhardt & Denhardt called their model reminiscent/past of NPA. NPS calls for co-governance and ethical governance.

Public Governance Model

It is the latest emerging paradigm in public administration. It combines post-NPM concepts like

- a) 'Serving, not steering'.
- b) Networked governance.
- c) Activating state rather than lean state.
- d) Civil Engagement & not customer orientation.
- e) Shared responsibilities rather than transferred responsibilities.
- f) Cooperation rather than contracting out.

Q. New Public Service emphasizes democracy and citizenship as the basis for public administration theory and practice. Elucidate. (2020)

The word 'Governance' is derived from the Greek word 'Governare' which means to steer. Thus governance means to steer the state to achieve its goals. It is like steering a ship towards its destination.

The concept of good governance is not new. Before the present-day concept of good governance became popular, many scholars had given significant ideas to improve administration and governance.

Kautilya in Arthashastra has given concepts of the welfare state (in the happiness of subjects, lies the happiness of the King), qualities of civil servants, recruitment policy, different types of corruption, taxation policy etc.

Plato, in his book 'Republic,' gave ideas on good governance, the qualities of a King (philosopher King), the means to check corruption, and education policy.

Aristotle in his book 'Politics' has also gave ideas on good governance like the ideal type of government etc.

Machiavelli in his book 'Prince' has advised the King on various aspects like foreign policy, and the role of religion in the state.

Mahatma Gandhi talked about Su-raj (Su means good) and Swaraj. Indian Constitution incorporates principles of good governance in the form of DPSPs.

What led to the idea of Good Governance?

After the Second World War, the newly independent countries of the Third World aimed at rapid economic development. International financial institutions like the World Bank & IMF provided them with soft loans at very generous terms and conditions. These countries still face the problem of poverty, hunger, unemployment and corruption.

World Bank instituted a study in Sub-Saharan African countries. This study concluded that there is a strong link between a sound administrative system and economic performance. Thus unless public administration is reformed, external economic aid would not serve much purpose. In 1992, the World Bank's document 'Governance & Development' said that "good governance is central to creating and sustaining an environment which fosters strong and equitable development and it is an essential complement to sound economic policies".

Indicators of bad governance

1. Corruption.
2. Lack of scientific recruitment & training.
3. Delays or red-tapism.
4. Nepotism and favouritism.
5. Formalism (the gap between prescribed rules and followed rules).
6. Secrecy.
7. Lack of accountability.
8. Centralisation of power.
9. Absence of people's participation.
10. Lack of democracy (electoral democracy).
11. Monopoly of state/public administration.
12. Absence of rule of law.
13. Lack of independent judiciary.
14. Violence in conflict resolution.

Government vs Governance

	Government	Governance
1	Government is an institution	Governance is a process
2	Exercise of authority or decision-making	It is about enhancing the quality of decision-making
3	Government is a quantitative term	Governance is a qualitative term
4	considers citizens as passive entities	considers citizens as active service seekers
5	It is about file	It is about life

Governance vs Good Governance

Both concepts have a similar meaning. The term Governance has the word 'Good' as inherent or implied in it.

	Governance	Good Governance
1	Governance is value free term	Good Governance is value laden term
2	It indicates process of decision-making but tells nothing about quality of those decisions	It aims at enhancing the quality of decision-making.
3	can mean corporate governance, environmental governance or good governance	refers to the field of administration

Good Governance can be defined as 'the manner of exercising power to manage socio-economic resources for development'.

Features of Good Governance

1. Rule of law – a fair legal framework to be enforced impartially;
2. Participatory – trade unions, NGOs, business groups, religious groups, individuals etc.;
3. Electoral democracy;
4. Consensus oriented -
Different actors may have different goals in a society and hence decisions should be taken by consensus in the best interest of the community;
5. Independent judiciary– e.g. - the Indian judiciary should not be biased by supporting the Indian government over other country's business companies in India;
6. Transparent and accountable administration;
7. Efficiency & Economy - meeting the needs of society by making the best use of available resources;
8. Pro Poor;
9. Protection of environment;
10. Inclusive– Development for all, leaving nobody behind;
11. Responsive to demands.

Impact of Good Governance on Public Administration as a discipline

The concept of good governance has given rise to a new paradigm of public administration according to Nicholas Henry. Specifically following has been the impact of good governance on public administration –

1. A re-emphasis on goals rather than means;
2. Re-enforced significance of values rather than value neutrality – Values like pro-poor, concern for the environment, performance-oriented, participatory, respect for rule of law, transparency;
3. Increased accountability of government;
4. Use of Information and Communication Technology (ICT) in governance.

Criticisms of Good Governance

1. The word Good does not have a universal meaning. The meaning of good in good governance can be utilitarian in Europe, spiritual in India, and happiness in Bhutan. Thus, in the name of good governance, a global monoculture is prescribed. It makes the idea of good governance insensitive to contextual complexities
2. **Hidden agenda** –behind good governance prescriptions in the forms of aid conditionalities, there is a hidden agenda of Western developed nations. These nations do not have any genuine concerns for good, ethical and equitable governance in the countries that receive the aid. In this context, A. Leftwich argued that developmental assistance to third-world countries after the Second World War is guided by the politics of good governance.
3. **Donor mentality** – The prescriptions of good governance suffer from typical donor mentality- 'I will donate the money and then I will tell you how best to use that money in your best interest'. The idea of good governance based on Western liberal principles may not suit the conditions of third-world countries.
4. **Anti-democratic** – good governance was imposed on countries in the form of aid conditionalities by international financial institutions. In a democracy, people are sovereign and must have the freedom to formulate their policies. However, good governance had to be adopted without which the economies of these countries could have collapsed.
5. **Externally induced reforms** – good governance prescriptions were externally imposed and therefore are not fully accepted by recipient countries. This makes the reforms less efficient.
6. **Democracy is not essential for good governance** - The World Bank considers democracy as an essential condition but effective governance can be seen in some countries without democracy also. For example - China, Singapore and some Islamic countries.

Lack of Good Governance in India

1. Criminalisation of politics and politicisation of crime

- Entry of persons with criminal background in politics and legislature. 43 % of MPs in the 17th Lok Sabha have criminal cases pending against them. Politicisation of crime refers to the use and justification of crime for political purposes. For example – booth capturing during elections, and intimidating voters. It leads to a politician-criminal nexus.

2. Money power in elections.

3. Lack of inclusiveness- inequalities of status, opportunities, and representation of women in parliament.

4. Pending cases in the Judiciary.

5. India's position in the Global Transparency Index, Competitiveness Index, Human Development Index etc.; is very bad.

6. RTI is not completely successful. For example – not applicable to political parties, applications are rejected on various grounds (PMCARES fund), and recent changes in salary and service conditions of information commissioners.

7. Arbitrary application of the rule of law – for ex, fake encounters.

Q. “Arbitrariness in application of Rule of Law is a primary cause of poor governance.” Discuss. (2020)

When the governance is ‘good’, it has certain features like the rule of law, people’s participation, accountability etc.;

Lack of rule of law leads to poor governance because it causes

1. Arbitrariness in decision making,

2. Absence of equality before law,

3. Lack of equal/uniform treatment for all which is a hallmark of public administration,

4. Discrimination,

5. Formalism, where rules are not followed in practice.

In recent times, several extra-judicial killings by police and security forces are also a manifestation of arbitrariness in the application of the rule of law.

Q. “The movement towards governance as an organising concept for public administration and management is because the focus of administration has been shifting from the bureaucratic state to the hollow state and third-party government.” Critically examine. (2020)

Q. With the entry of the concept of good governance, the discipline of public administration has shed its statist character. Explain. (2019)

Challenges of Liberalization

For the last two decades, liberalization, Privatisation and Globalisation have become the buzz words in the politico-economic space in our country. The LPG policy has brought sweeping changes in the way the economy functions and in the way the government's machinery i.e. public administration is structured and functions.

Meaning of Liberalization

Liberalization as a term comes from the philosophy of liberalism which advocates under

- a) Greatest freedom for private individuals,
- b) Least intervention by the State in the private sphere,

The momentum towards liberalisation received a strong thrust in the 80s and 90s world over because of the philosophy of neo-liberalism which favours:

- a) Dominant presence of market forces.
- b) Facilitating the role of the state.
- c) Competition, public choice, efficiency & performance measurement.

Collectively it can be argued that liberalisation creates a thrust for:

- a) Liberation from regulations, restrictions, barriers, controls, licences, permits etc.; In other words, liberalization creates an emphasis on de-regulation, de-control & de-licencing.
- b) Role back of State i.e. State withdraws and creates space for other players. This would also involve downsizing i.e. curtailing the size of the government.

Impact and Challenges for Public Administration

1. Importance of re-inventing and re-engineering the administrative machinery. Re-inventing is a very important theme connected with liberalisation because it requires an honest introspection by the government to have a re-definition of its role and design. This concept was given by Osborn and Gabler in 1992. The idea behind this concept is to reinvent a curtailed role for the government and also to re-invent lean sized and decentralised structure of the government administration which would fit the requirements of a liberalised economy. The administration has to move from unitary or dominant administration to plural and democratic administration (Vincent Ostrom).

Along with re-inventing, the second important requirement of liberalisation for the administrative machinery is re-engineering which refers to streamlining the government's processes or work methods so that they become fast, cost-effective, user friendly and less harassing.

The concept of re-engineering the government's administration is an adoption of famous.

BPR model of Hammer and Champy in 1993

Thus, collectively the re-inventing and re-engineering concepts have affected Public Administration in a significant manner to create requirements of:

- a) Leaner bureaucracy i.e. reform in size.
- b) Flatter bureaucracy (less hierarchy less rank consciousness-so more democracy) which is people-friendly.
- c) Innovative and streamlined processes that are user-friendly time and cost-effective.

The challenge in this context is for the government and administration to ensure that the benefits of liberalisation are passed on to the citizens. In this context, there should not be symbolic or pseudo-liberalisation. In other words, the challenge for public administration is to ensure that liberalisation leads to improvement of service delivery.

Sometimes it is observed that tall claims are made by various government agencies about reforms, and simplified processes but things remain as usual and the public is not better off despite the symbolic exercise of reducing the size of the administration or computerising the processes.

2. Creating an engaged administration— The concept of engaged administration is one of the latest developments in the evolution of public administration. It was given by Guthrie in 2003. It refers to an administration that 'engages' with citizens in a participative dialogue so as to create needs-based solutions. Thus, engaged administration focuses on a bottom-up approach to public administration rather than a traditional top-down approach.

Further, an engaged administration liberates the citizens from top-down decision-making. Engaged administration includes engagement with local government like panchayats and municipalities, citizen and government partnerships etc.

Again, the challenge is to create a platform for the meaningful participation of people. Thus again intent and not symbolism are the prerequisites.

3. The requirement of an activating State

- The concept was given by Werner Jann in 2002. The idea behind this is that government should be an activator or an activating catalyst rather than a direct and dominant player. This requires a movement from quantity of governance to quality of governance or simply government to governance. What we need today is not more government but better government. The idea is that in the context of government control, less is more.

Thus, under the impact of liberalisation, the following shift is taking place in public administration:

- a) Size,
 - b) Structure.
- a & b are re-inventing:
- c) Processes – this is re-engineering,
 - d) Participative – Engaged administration,
 - e) Regulator – Activating State.

Challenges of Privatisation for Public Administration

Privatisation refers to the induction of private ownership in publicly owned organisations. On a wider meaning, privatisation is not just the induction of private ownership but also the induction of private operation and various kinds of private partnerships in publicly owned institutions. Thus, from a wider perspective, the following are the meanings of privatisation –

1. Complete privatisation of PSUs.
2. Partial ownership transfer by broad-basing the shareholding pattern.
3. Joint ventures, PPPs, where government and private players operate collectively.
4. Contracting out or outsourcing.
5. Various kinds of lease and franchise agreements. For example – B.O.O.T (Build, Own, Operate, Transfer).

It can be seen that privatisation is inseparably interconnected with liberalisation and can almost be seen as a natural offshoot of liberalisation. Both liberalisation and privatisation involve withdrawal of the state whereas liberalisation is the withdrawal from regulation, and privatisation is the withdrawal from enterprise.

Privatisation requires that government should create space for private ownership or private operation wherever.

1. Government has no critical presence (critical means defence, foreign affairs, etc.),
2. The government has no core competence,
3. Private players are willing and capable in terms of technical and financial capabilities.

Impact and Challenges

1. Third-party and networked governance

- Privatisation leads to:

- a) Institutional pluralism,
- b) Third-party governance,
- c) Networked governance.

Whenever the government in any economy withdraws from operations and enterprise, it creates space for other institutional players. Further government has to increasingly rely on third-party administration i.e. government makes use of third parties i.e. non non-governmental institutions to provide goods and services to the people. Further, whenever privatisation is resorted to, there will be a requirement for networked governance or governing through the network. This creates interdependencies between government, other players and the public. Thus, although private ownership and private operation reduce the workload of government/public administration, it does not reduce its responsibilities. In this context, Goldsmith and Eggers observed that “involving private players to provide public goods and services puts more rather than less responsibility on public administration.

Public Administration now requires to be tactful, firm and coordinator. Therefore public officials would need greater negotiation skills, and learn to be diplomatic and flexible rather than unitary and rigid.

At the same time, public administration needs to be firm because from time to time, private players will have to be checked to ensure that their actions are not harmful to the general public.

2. Ensuring public interest

- One major criticism of privatisation is the possibility of promoting limited and exclusive interests rather than widespread and inclusive public interest. There can be elitist bias and exclusion of the masses in the delivery of services.

In this context, Ali Farazmand (Prof. of Public Administration in Florida at Atlantic University) observed that “increasing dominance by corporate sector creates a possibility of dominant control of corporate elite and as a result, government’s role is overruled by these corporate elites”. It means that there is a possibility of powerful corporate elites especially MNCs dominating the public policy in a nation so much so that the government starts feeling helpless and marginalised.

Similar concerns were raised by Denhardt & Denhardt in their concept of New Public Service.

It is the process by which an inward-looking economy or government converts itself into an outward-looking economy or government so as to:

- a) Integrate better with the international market,
- b) Learn from transnational experiences,
- c) Compete internationally.

Differences between Inward looking economy/Government & Outward looking economy/government

1. Self-sufficiency/Interdependence and integration of economies.
2. Protection of domestic industries and barriers for others/favour global competition.
3. Production for self/Production for self as well as buy for others.

Challenges of Globalisation for Public Administration

1. **International competition** necessitates a focus on certain prerequisites that the administration in every country would now need to adopt. These are:

- a) Cost control,
- b) Quality of service,
- c) Productivity consciousness,
- d) Technological upgradation,
- e) Adoption of international best practices.

The global economy and operation of internationally connected governments not only facilitate international comparison and learning but also bring public administration under greater public scrutiny. People demand an administration that is conscious of speed, quality, cost and best practices. There is internationalization of administration such that it becomes more global and less ethnocentric.

2. One of the major features of globalisation has been the utilisation of the huge potential of IT (information technology), especially the Internet. It has opened up enormous opportunities for administrative improvement through:

- a) Information dissemination,
- b) Transparency,
- c) Administration has become more accessible,
- d) Speed of service delivery,
- e) Citizen’s participation in administrative processes.

3. Because of globalisation, every country’s administration has increased exposure to various new theories, models and reforms that originate in any part of the world. As a result, there is information dissemination, knowledge sharing and comparative learning. Earlier comparative administration was more of an academic exercise because practical aspects of administrative reforms were not easily known across nations. Whereas now every nation is learning from other nations. According to Francis Fukuyama, because of globalisation, public administration is increasingly becoming global and less American. It has brought into focus at least two more administrative models popular in past – Chinese administration and Islamic administration. The biggest challenge for administration in a globalised world is the threat caused by the possibility of global administrative monoculture i.e. the possibility that a single model or a limited set of theories may start getting propagated as the universally applicable or ‘one-size-fits-all’ theories. Concepts like ‘cultural filtering lenses, and ‘context sensitivity’ in using administrative models and theories have been advocated from time to time, yet there are tendencies of forcible imposition and blind import.

On one hand, certain US-centric or Western models are being imposed almost forcibly under the aid conditionalities of international donor agencies. On the other hand, planners and policymakers in certain countries tend to replicate concepts, models and strategies that have worked in other countries without being context-sensitive. In this context, Christopher Hood has noted as under “even the global village is culturally plural rather than homogenous”. Thus there is a need to use global best practices but also respect country-specific cultural differences. The challenge for the administration is how to think globally and yet act locally.

4. Globalisation has brought a focus on new tasks that earlier were not seen as the main tasks of public administration. For example – global security and war against terrorism, environmental issues and sustainable development, administration of health in the light of new global pandemics like swine flu, ebola, COVID-19 etc.;

All these issues were not the traditional subject matter of public administration but today public administration in any country must respond to them. There is a tendency of global elitism whereby some powerful countries tend to dominate the world order. It is argued that international decisions and resolutions that vitally affect third-world countries often give them new poise. In this context Joseph Stiglitz observed – “Globalisation can promote development but can create poverty also. There exists a possibility of global governance without a global government”.

2nd Minnowbrook conference – 1988

NPA is the first Minnowbrook conference. The second and third conferences are not NPA.

To commemorate the 20th anniversary of the original Minnowbrook conference, the second Minnowbrook conference was held in 1988 at the same conference centre of Syracuse University at the initiative of George Frederickson. The main intention behind MB 2 was:

- a) To assess the impact of the NPA perspective on Public administration as a discipline as well as practice.
- b) To discuss new issues which have become relevant in the last 20 years. The new issues which were highlighted in the second conference were
 - a) Leadership in administration,
 - b) Use of ICT in administration,
 - c) Impact of market economics on public administration,
 - d) Constitutional and legal perspective in the study of administration.

1. Thematic continuity

- MB 2 continued to challenge the status quo. It was argued that Public Administration has a primary role in tackling the complexity of the environment. It has to act as an instrument for transformation. There will always be environmental complexity and critical problems of the day. Only their nature will change. Therefore public administration has to respond to these challenges of the day. For this public administration has to be change-oriented rather than status quo-oriented.

Also, the concern for equity, democratic values, and normative perspective were retained and reaffirmed. These themes were still meaningful to promote the core goal of public administration namely public-ness or public welfare.

2. Thematic re-orientation**a) Pragmatism replacing radicalism or idealism**

In 1968, the theme was revolving around a radical belief that the problems of society are solvable, the only thing required was moral activism on the part of the administration. However, in 1988, it was realised that problems in society are complex and they involve interconnected issues. Therefore administration can only reduce the problems rather than completely resolve them. Thus in MB 2, it was realised that only radicalism of thoughts is not enough to put an end to problems of society.

Further, it needs to be noted that in 20 years between 1968 and 1988, the environmental perspective had changed. Right from the beginning of the 1980s, there were demands for less government and more governance. The PCA and NPM perspectives were gaining momentum and therefore along with the value of public welfare, the value of private utility maximisation was also gaining acceptance. Thus during MB 2, there was a tacit approval for privatisation and market-oriented public administration.

During MB 2, the overindulgence in policy-making was withdrawn. Whereas MB 1 was very vocal on administration being value-oriented and having a policy perspective (rejected politics-administration dichotomy), MB 2 took a more pragmatic perspective on this issue. It was realised that some dichotomy does exist and should exist between politics and administration or policy making and policy execution. Moreover, it was a fact that in reality, administrators are ultimately under political control as far as policymaking is concerned. Therefore in the practical world, administrators have little role and control in policy formulation.

MB 2 recommended administration be democratic and anti-hierarchical. This created a momentum towards 'consensus-based decision making'. In this context, Robert Cleary, an important participant in MB 2 gave the concept of slowed-down bureaucracy. This idea meant that administrators have to learn and adopt open, participative and consensus-based decision-making. In other words, the bureaucracy would work through consensus rather than unitary authority.

An aspect of re-orientation in MB 2 was the composition of the group. Whereas MB 1 scholars were largely from political science and administration, MB 2 scholars came from broad-based and interdisciplinary backgrounds. There were participants from disciplines like law, economics, urban planning, policy studies, municipal governance etc.

New themes in MB 2**1. Public Personnel policies & administrative leadership**

- MB 2 created a focus on 'capacity building' because the public administrators should cultivate their administrative and leadership capabilities if the focus has to shift to 'performance' by the administration. It can be seen that whereas MB 1 talked about gutsy bureaucrats, MB 2 calls for capable bureaucrats. Thus it was realised that willingness alone would not be enough to create capable public leaders, rather they would need technical support in the form of better recruitment and training processes, better performance appraisal and better leadership aptitude.

2. Early perspective on information technology

- MB 2 talked about the role of technology in public administration. The possible impact of ICT on Public administration was sought to be studied. However, as a word of caution, it was mentioned that technology cannot be considered a necessary tool, meaning that good and capable administrators will never go out of fashion.

3rd Minnowbrook conference – 2008

Change in circumstances

In the late 1980s, the Soviet Union collapsed making America the sole superpower in the 1990s. Because of the IT revolution, the USA experienced huge prosperity and by the late 1990s, it had a surplus budget. But the situation changed in the 2000s. The 9/11 terror attack in the US completely transformed the global security scenario. Between MB 2 and MB 3 there were extraordinary changes in the world –

1. Fall of Berlin wall.
2. End of Cold War.
3. The unity of the EU under a single monetary system.
4. The emergence of China as super superpower.
5. Nuclear race (Iran and North Korea).
6. US military actions in Iraq and Afghanistan.
7. Emergence of climate change as a major global issue.
8. Global financial crisis 2008.

MB 3 conference was coordinated by Rosemary O’Leary. The main themes were:

1. Modern public administrators are required to be collaborative and tactful negotiators instead of being unitary leaders of unitary organisations. Typically the shift from top-down centralised decision-making to collaborative decentralised decision-making has been argued.
2. A need for a renaissance (because comparative administration was lost in the 1970s after Ford stopped funding) of comparative studies. It was argued that comparative pub administration which lost its momentum after its peak in the 1970s, is required again today. This is so because as a result of globalisation, countries have become more and more interdependent and interconnected. Moreover, in a globalised world, no country can stay immune to the developments taking place elsewhere. In this context of globalisation, the importance of context sensitivity has been strongly highlighted. It was emphasised that any model or prescription with underlying US-oriented assumptions must be rigorously tested before advocating it for other countries.
3. A peer review process has been recommended as a major way to ensure that before any concept or idea is branded as a principle, there should be thorough scholarly research.

Evolution of discipline of Public Administration

Paradigm 1: Politics-Administration dichotomy (1887/1900 to 1926)

This paradigm is believed to have begun with Woodrow Wilson's essay entitled "The Study of Administration" and further reinforcement came in the form of Frank Goodnow's book "Politics and Administration" in 1900.

During this era, public administration received first serious attention as a separate discipline. Dichotomy theory became the first identifiable theory which remained very popular as a method of creating non-partisan and specialist institutions for policy execution. This period also coincided with the civil services reform movement in the US.

During this era, public administration began picking academic legitimacy. In this context, L. D. White's book entitled "Introduction to the study of pub ad" in 1926 is regarded as the first book entirely devoted to the discipline of pub ad. This book had a two-fold theme – a) partisan politics should not intrude into administration b) administration should lend itself to scientific study and administration has the capability of becoming a value-free science with the mission of efficiency and economy.

This book and its themes provide a crucial link between paradigm one and paradigm two. It was only natural that other thinkers would start exploring methods and principles for the science of administration.

Paradigm 2: Principles of Administrative efficiency (1927 to 1937)

William Willoughby's book "Principles of Public Administration" was published in 1927 which provided the initial thrust for this era. It was the second full-fledged book on the subject of Public Administration and was a logical step forward in the continuity of L. D. White's book. The very title of this book created a paradigm shift in the study of Public Administration. This book had a four-point emphasis.

1. That certain scientific principles of administration existed.
2. That they can be discovered.
3. That they can be learnt.
4. That they can impart efficiency and expertise in administrative functioning.

These suggestions led to such a search for principles that the entire focus in this era was on 'efficiency in administration'. Thus, it is said that the 'public' aspect of public administration was almost dropped or ignored. It was suggested that if public administrations should take care of efficiency, the public-ness would be automatically taken care of.

During this stage, structures and processes of administration were put to rigorous analysis to find out principles that can make structures and processes efficient.

Gullick and Urwick published their "papers on the science of administration" in 1937 and this marked the zenith or the high noon era of principles of administration. They promoted an acronym POSDCORB which consisted of seven managerial functions that together can create administrative efficiency. They famously argued that administration is administration and principles are principles meaning there by that they would be equally applicable no matter the type or place of organisation.

However, the idea of universality of principles faced multiple challenges in the 1930s and 1940s.

- a) Humanistic challenge by Elton Mayo,
- b) Behaviouralist challenge by Barnard and Simon,
- c) Broad basing challenge by scholars like Robert Dahl wherein it was argued that unless the principles are analysed in cross-national settings, the so-called principles will remain irrelevant.

In the 1940s the dichotomy theory also started getting challenged and by the 1950s, there were suggestions to completely abandon it. Thus, both the dominant themes of public administration were challenged.

Sub-Paradigm 1: Era of Challenge

The humanistic challenge to the efficiency of organisations was launched as a result of famous Hawthorne experiments (1924 to 1932) at Hawthorne near Chicago in Western Electric Company by a group of researchers from Harvard Business School led by Elton Mayo. The conclusions of these experiments shook the foundation of scientific principles of administration. The human relations movement demonstrated the powerful influence of social and psychological aspects in the workplace. The early ideas of Mayo were further refined and extended by other

behaviouralist thinkers. In this context, the contribution of Barnard and Simon is considered a major landmark in the evolution of administrative theories. Simon presented the most devastating criticism of administrative principles and their universality on the logic that:

a) These principles were merely proverbs. They do not apply to every situation because every principle could have a counter-principle.

b) These principles take human behaviour for granted whereas the actual human behaviour is very complex.

For the study of human behaviour, Simon proposed his decision-making theory. Simon recommended the development of a pure science of administration with a thorough grounding in psychology. The administration should deal with values and public policy. This suggestion of Simon was so far-reaching that according to Nikolas Henry, it amounted to swallowing the whole discipline of political science.

Sub-Paradigm 2: Response to Challenge (1947 to 1950)

This three to four-year period has been described by Nikolas Henry as a sub-paradigm where scholars look for ways to respond to challenges mounted by thinkers like Herbert Simon and Robert Dahl.

Simon's prescription of pure science of administration was seen with reference to more management by some thinkers i.e. they advocated to re-establish the link of public administration with management so as to develop more correct or pure principles. His recommendation of grounding in psychology was seen with a lot of scepticism and insecurity because most of the scholars of public administration had political science backgrounds with little knowledge of psychology. Hence, in the 1950s, a strong trend was noticed to bring back public administration within the folds of political science.

Simon's prescription of dealing with values or policies in administration amounted to making public administrations synonymous with political science. Robert Dahl's prescriptions almost coincided with Simon's with the only difference that Robert Dahl recommended comparative or transnational study. This suggestion became one of the early encouragements for the origin of a new sub-branch of public administration called Comparative Public Administration in the 1960s.

Paradigm 3: Public Administration as Political Science (1950 to 1970)

This paradigm begins with a complete abandonment of the politics-administration dichotomy which was already facing criticism in the 1940s by scholars like Herbert Simon and Robert Dahl. In this context, J.M. Gauss made a famous observation in the 1950s – "A theory of public administration means in our times a theory of politics also".

This was in sharp contrast to the heydays of orthodox dichotomy as suggested by scholars like Wilson and Goodnow. In fact, this comment is diametrically opposite to the comment made by Woodrow Wilson that "administrative questions are not political questions".

According to Nikolas Henry, this comment by Gauss was the last nail in the coffin of dichotomy.

During this era, public administration established its links with political science. In this context, Martin Landau noted "Public administration is neither a sub-field of political science nor does it comprehend it, it simply becomes a synonym". Thus,

During this entire era, political scientists or scholars having political science backgrounds challenged the identity of public administration. Dwight Waldo observed how political scientists gave second-class citizenship to scholars of pub ad. Heinz Eulau, the then president of the American Political Science Association called public administrations 'an intellectual waste land'. Thus, during the 1950s and 1960s, various scholars with political science roots argued that public administration as a separate discipline had nothing new to offer other than what political science was offering. Further, during this period it was argued that core political science and constitutional concepts like democracy, equality, pluralism, liberty etc. should govern the minds of public administrationists and public administrators. Thus ideologically public administration is just a replica of political science. During this era, it was also noted that bureaucracy in democracy exists not to serve the ruler, but the ruled. This suggests that ideals of political science and constitution are better values for public administration rather than managerial values of efficiency and economy. Thus, this paradigm was described as public administration political science.

Paradigm 4: Public Administration as Management (1956 to 1970)

Towards the ending years of the 1950s, scholars started questioning the utility of political science in the practical work improvement of an administrator. It was argued that association with political science does not offer much in the actual functioning of an administrator. Therefore public administration has a distinct identity because it helps public administration in knowledgeable action.

Further, in 1956, a benchmark event occurred which was the foundation of an important journal – Administration Science Quarterly. This journal was founded by public administration scholars on the main premise that public,

private and non-profit administration were false distinctions because administration is administration. It was proposed that all organisations can be governed or administered with a similar philosophy around the theme of alike-ness of management. Therefore public administration as a discipline stands to give more if it aligns with the discipline of management.

Even if public and private management have different purposes, we can adopt similar techniques. In this context, it can be said that – “public and private management are fundamentally alike in all unimportant aspects”.

According to Nikolas Henry, public administration as a discipline was sowing the seeds of renaissance during paradigms 3 and 4 even while it reached its nadir (low point). It was argued that some sort of new thinking was germinating even when public administration was facing its biggest identity crisis. This newness was around the idea of ‘public-ness’. To assess the correct identity of public administration, a fundamental question is to be asked – what does public in public administration mean? It was argued that it stands for public-ness which should be the fundamental virtue that public administrations should be seeking.

Around the theme of public-ness, it was argued that there were three fundamental differences between public and private

1. Whose interests are served?
2. What is the quantum of impact on the public?
3. What is the role given to public opinion?

It was argued that private organisation only serves the limited interests of private capitalist or stakeholders whereas public organisations have to keep in mind the broad interest of the masses.

Secondly, a private organisation influences a small fraction of the population, whereas public administration influences society at large.

Thirdly, in running a private organisation, public opinion has a limited role whereas public administration has to give people significant participation.

Thus, around the theme of public-ness, three differences between public administration and private management were put forward. This later paved the way for real public administrators or public administration. Thus rather than examining the traditional aspects like efficiency, principles, structures etc., the new discipline of public administration should examine concepts like public-ness, morality and activism.

Paradigm 5: Public Administration as Public Administration (1970s onward)

In this era, public administration is described as a field of theory as well as practice. Public administration was explored as a discipline with a new identity as a proactive instrument of public-ness and social change. Further in the 1970s, public administration as a discipline got further identity and legitimacy in the form of the establishment of NASPAA (National Association of Schools of Public Administration and Public Affairs). As a result, public administration and public affairs got a distinct identity as a full professional course throughout out USA.

Another major event that had a significant influence on this paradigm was the Minnbrook Conference of 1968 organised at the initiative of Dwight Waldo. This conference led to the emergence of a movement that became popular the NPA movement in the USA. In this conference, orthodox public administration was challenged and the focus of public administration was to challenge the status quo.

Dwight Waldo criticised the traditional or classical administration. Even before the NPA movement, Dwight Waldo wrote a book in 1948 entitled “The Administrative State” in which he criticised dichotomy.

Paradigm 6: Public Administration as Governance (1980s onwards)

Beginning 1980s, some fundamental changes were caused in how the government and administration are perceived. These changes were caused by concepts such as public choice theory, critical theory, re-inventing and re-engineering government and good governance. The trends in this era have been shaping up towards:

1. Flattening of government administration – that is cutting the size and the levels of government administration by downsizing, de-bureaucratisation, rolling back of state,
2. Introducing competition – that is rather than creating governmental monopoly and hegemony, there should be institutional pluralism. This will lead to competition, accountability and focus on customer satisfaction.
3. Globalisation – during this period, the world started becoming more and more integrated and as a result public administration of one country had a greater exposure to global best practices.

Thus, according to Nikolas Henry in this paradigm, we are away from government and towards governance. The philosophy is that the quality of governance matters and not the quantity of governmental institutions. In the 1990s, re-inventing and re-engineering ideas of new public management affected public

administration. Later, Denhardt and Denhardt proposed a new public service that called for serving the public rather than merely the steering role of government.



14

CHAPTER

General Administrative Theory Of Organisations

OR Management Process Model

OR Classical Theory (Fayol, Gullick, Urwick and others)

OR Administrative Management Theory

Fayol was an engineer by profession and worked in different capacities in industrial organisations and mining companies. Based on his work experience, he came out with Classical theory (CT). Fayol is known as the father of classical theory.

All classical thinkers – Fayol, Gullick and Urwick strongly believed that there is no difference between public and private organisations because both aim for efficiency maximisation. Efficiency in PA can mean welfare maximisation whereas in private, it means profit maximisation. Therefore, classical theory was claimed to be universal in nature.

- It brought to the forefront management as a work or as a process comprising of certain functions or sub-processes.
- It had its focus on evolving a theory of generic applicability, which would apply to all kinds of organisations - public or private, big or small, manufacturing or non-manufacturing, political or religious.

He devised a comprehensive theory of administrative excellence consisting of:

1. 6 common activities of all organisations
2. The management process comprises five managerial functions
3. 14 principles of management that can improve the management process and each managerial function individually.

Six common activities of all organisations:

(a) Technical activity: This is the main activity for which the organisation was created in the first place. It is a life-giving activity and it consists of production i.e., production of a good, service, idea, or programme.

(b) Commercial activity: This is the inseparable counterpart or the twin activity for the technical activity and it involves marketing/selling i.e., 'selling' what you produce- goods, ideas, services, campaigns, programmes.

(c) Financing activity: To perform the first two functions, every organisation would need finance (raise, use & save finances).

(d) Security activity: The assets created as part of activity (a) & (b), the monetary resources generated as part of (c) are required to be secured against losses, theft, pilferage etc.

(e) Accounting activity: Keeping a record of whatever an organisation does and whatever it owns or owes.

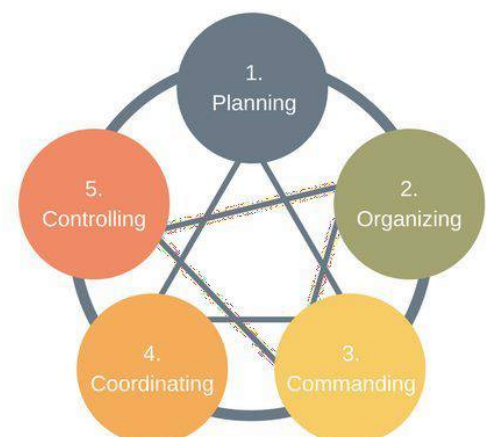
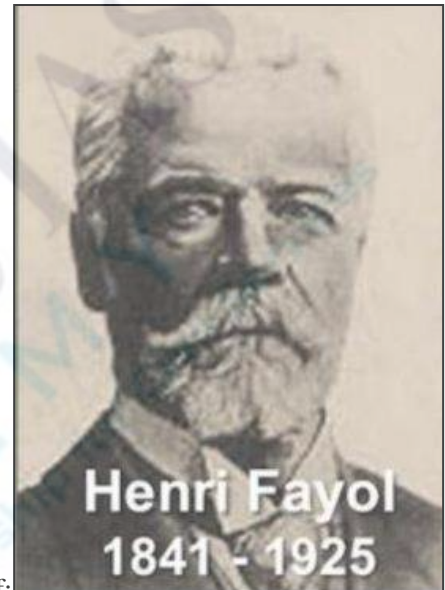
(f) Managerial activity: According to Fayol, this is the most important support system or the supporting activity for the other 5 operating activities.

The operative or organic functions will continue to suffer unless the managerial functions are given the due attention and are systematically improved.

Management process and 5 managerial functions

– POCCE:

1. **Planning:** He termed Planning as a function of prevoyance i.e., to draw in advance a plan of action for the future. According to him, forecasting is an important sub-element of the planning element of



management. He gave 4 principles of planning which will improve this sub-element of management.

Unity

Continuity

- a. Flexibility
- b. Precision

1. **Organising:** He described it as 'building up a structure of human and material resource'. Organising received a lot of attention from him and many of his 14 principles are organising principles or structural principles.

Examples are unity of command, scalar chain, centralisation, etc.

1. **Commanding:** It is to maintain activity among personnel by systematically issuing the right commands to them in view of the plans.
2. **Coordinating:** Binding together & unifying all the activities and efforts of all the people.
3. **Controlling:** To see that everything occurs in conformity with the established rules & commands.

In order to make each of these functions individually effective and the entire management process or managerial activity collectively efficient, 14 principles were recommended by Fayol.

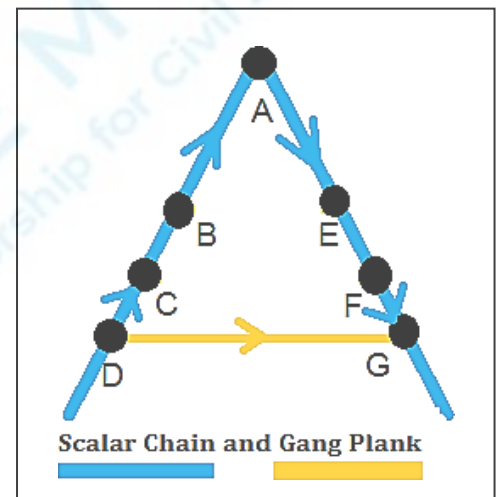
Fourteen principles by Fayol:

1. **Division of work:** Fayol strongly advocated that the same worker should perform the same part of work always because that gives him ability, sureness & accuracy. On the contrary, frequent adaptations reduce the performance of an average employee.
2. **Authority & Responsibility:** The two should go together and should match each other. Fayol noticed that there is often a tendency among managers to seek authority but to fear responsibility. This should not happen.
3. **Discipline:** The conduct of personnel should be governed by a code of punishment and discipline.
4. **Unity of command:** Fayol was most vocal about this principle and argued that the singular character of command must be maintained at all times.
5. **Unity of direction:** There should be a commonality of efforts and oneness in what everyone is doing for the common aim of the organisation.
6. **Scalar Chain:** According to Fayol, under ordinary circumstances, a scalar chain should be sacrosanct i.e., it should not be diluted or short-circuited. However, he later suggested a mechanism of flexibility called **Gangplank**, to shorten the chain of command under special situations.
7. **Subordination of individual interests to group interests:** The group goals & the overall goals of the organisation must be given primacy and something which is in common interest should be pursued even if it goes against the specific interests of one or a few.
8. **Centralisation:** This is the one principle of Fayol which is most misinterpreted by critics and normal readers. Although the title of the principle is centralisation, Fayol did not recommend absolute or strong centralisation. In his principle, he suggested that:

"Centralisation & Decentralisation are questions of proportions and the answer to this question varies constantly".

It means thereby, that it is not a question of "whether" but, "how much" because the degree of centralisation depends on the:

 - (a) Personal character of the manager,
 - (b) Reliability of subordinates,
 - (c) The condition faced by the organisation.
9. **Remuneration:** Fayol argued that fair remuneration is a must because unfair remuneration kills workers' incentive & initiative.
10. **Order:** Order is the order of placement i.e., placement of men at jobs should be in such an order that there is a right man for every job.
11. **Equity:** Fayol described equity as justice & kindness which has 2 aspects
 - (a) In behaviour of everyone,
 - (b) In treatment to everyone.
12. **Initiative:** Employees should be encouraged to take initiative and employees who take initiative should be encouraged.



Points 11 & 12 indicate a relatively better humanitarian concern in Fayol's model as compared to Taylor's model in terms of ethical, emotional & psychological dimensions. Taylor's SM had no place for individual initiative from workers because the entire focus was on standardised one-best ways. Further, though it had economic fairness, it did not emphasise ethical-emotional fairness.

13. **Stability of tenure of personnel:** An employee should get a stable tenure at the job where he has been placed. Another dimension of stability is also the longer-term bond with the organisation i.e., reducing the rate of separation of employees.
14. **Espirit de corps:** Fayol argued that to create a team spirit in an organisation, managers must avoid the tendencies of 'divide & rule'. He also argued that as a general rule, a written explanation should not be sought for mistakes because it is considered demeaning & derogatory and creates hostility.

Features of these 14 principles:

- By and large, these principles are **structural principles**. Most of them have a concern for structural efficiency and job orientation. They create a **formal organisation**.
- Fayol noted that although he is giving 14 principles, this is **not an exhaustive list** because there is no limit to the number of principles. Principles could be added or deleted according to the needs. However, organisations do need principles because without them there would be darkness and chaos.
- Fayol further suggested that these principles are not rigid rules rather each is capable of adaptation because allowance must be made for **changing situations**.

COMPARISON BETWEEN TAYLOR AND FAYOL

Similarities:

- Both were written in the same era i.e., in the first two decades of the 20th Century. It is interesting to note that they were completely unaware of each other's presence and research work and yet came up with largely similar models with structural emphasis. This shows that such features & emphasis would have been the dominant priorities of those times.
- Both have given largely structural models of organisation management with emphasis on the "need to arrange" people, resources, tasks, processes, positions, etc. Both emphasised the need for orderly division of work, specialisation, supervision, command, obedience, etc.
- Both presented models are categorised as "universal design models," as distinct from 'flexible' or situational design models. Both have focussed on the discovery and establishment of certain fundamental principles which could be applied repeatedly.
- Both emphasised personnel management as an important agenda for organisational effectiveness as reflected in the following concerns:
 1. Recommendation of the right man for the right job.
 2. Recommendation for training to develop capacity of personnel.
 3. Recommendation of employer-employee cooperation or harmony.
 4. Fair wages or remuneration.
- Both had an inherent assumption of REM &
- Auto-goal congruency. In other words, both believed that economic motivation is a workable motivation model because rationality can be assumed i.e., both the organisation and every individual are expected to be rational.
- Both were practising managers.

Differences:

Fayol	Taylor
Focus on managers	Shop floor
Unity of command	Functional foremanship
Accepted initiative	No initiative, one best way
Gave importance to functional aspects of organisation	Focused on structural aspects
Top-down theory	Bottom-up theory

Relatively flexible	Rigid
Theory based on observation	Based on experimentation
Wider application in both public and private sector	Industrial sector

Critical appraisal: Broadly speaking, all classical theories have come under criticism from neo-classical theorists & modern theorists for respectively:

- (a) Their relative neglect of human side of enterprise
- (b) Their neglect of the environmental dimension & situational perspective.

However, minor variations in the tone & tenor of criticism do exist because of the minor inter-model variations within the classical school. The criticisms faced by General Administration Theory (Fayol and Gullick & Urwick) are:

Ignores socio-psychological aspect

It is a unidimensional model which ignores socio-psychological aspects of work. Virtually, all behavioural thinkers have argued that the classical-structural models ignore the completeness of work relationships by neglecting the social side i.e., informal organisation, interpersonal relations and group dynamics.

More specifically, the following observations are important:

- **Chester Barnard** argued that classical theories ignore the important feature of ‘**cooperative social system**’ which prevails in an organisation and is thus a depersonalised model.
- **Warren Bennis** has termed classical model as “**organisation without people**” i.e., people are left to secondary position.
- Classical model has also been called as an **atomistic model**, i.e., it takes each man as an isolated atom rather than someone who combines with many co-workers to form a group. In other words, classical model detaches & isolates every worker from his social sapping.
- Behavioural thinkers also argued that the classical theories do not consider the complete dimensions of human behaviour & **Simon** noted that:

“Human behaviour departs in many ways from the assumed rationalistic behaviour”

- To elaborate, classical theories take human behaviour for granted and imagine/assume rational utopian behaviour on the part of everyone i.e., everyone is assumed to behave in a manner that he ought to behave, forgetting to analyse how he really behaves.

Incongruency of individual and organisational goals: It has been further argued that the classical structural principles create dysfunctional outcomes for human behaviour in terms of monotony, apathy, alienation and demoralisation. As a result, there is often goal-displacement because of:

1. Inhibited productivity
2. Resistance to change

- In this context, **Chris Argyris** has pointed out the “**basic incongruency**” between the organisational goals as visualised by classical theory and the individual goals of healthy-mature personalities. The classical model makes people insecure, passive, immature, dependent and subordinate, whereas, they have desires for independence, self-worth & power.
- Thus, classical theories deny the sense of freedom, initiative, esteem and self-worth that mature employees need. That somebody like Fayol included “initiative” in his principles did not change the whole character of classical theory because:

(a) It was just one of the fourteen principles and many structural principles when combined became too strong & overpowering against this individual principle.

(b) Fayol himself had added a rider/condition to his initiative principle that “*Initiative should be within the limits of authority and discipline*”.

- In fact, **Simon** had strong objections against classical principles because of their contradictory recommendations (for example – a span of control should be narrow and chain of command should be short – which are contradictory in case of a large number of employees in the organisation). He

observed, “The so-called principles of classical science of administration are proverbs, myths, slogans & pompous inanities.”

He argued that these principles are:

- (a) Derived without much scientific basis and lack the sophistication that could have made them ‘principles’ capable of universal application,
- (b) Are contradictory because, for each recommendation, there is a possibility of an equally plausible opposite explanation/recommendation.

However, in defence of Fayol in particular, and classical theories in general, it needs to be noted that the completeness & complexity of human behaviour & the valid aspirations of a mature human are dimensions that were unfolded much later i.e., in the 1950s and 60s (after an initial suggestion by Mayo, Simon, Barnard in 1940s).

Not really universal: Although Fayol’s model did not prescribe the rigid ‘one best way’ yet, on an overall understanding, the principles given by Fayol or Gullick & Urwick remain a pursuit for ‘universal recommendation’, which were later found to be unrealistic by the modern situational thinkers. The validity as well as the utility of the so-called ‘principles’ was doubted by situational contingency thinkers in view of the organisations’ dependence on a fast-changing environment.

Although Fayol and Gullick & Urwick tried to clarify that their principles were not rigid or immutable and were capable of situational adaptations, neither critics nor managerial practitioners considered this clarification as significant. Critics often overlooked these clarifications or found them as a minor passing reference or even an after-thought, because the whole classical model was too strongly structural and formal to permit this flexibility. Similarly, the practising managers who used these prescriptions always construed them as universal and fixed recommendations.

As a result, practically they always resulted in rigidity as they were always used as a ready-across-the-shell remedy.

Structural aspect took a backseat: Structuralists have argued that while devoting considerable attention to functional classification, Fayol neglected the structural aspect. The functional organisation was designed by Fayol in the early 20th century. Although functionalism is empirically expedient, it is deficient; it is deficient in design & logic.

The base of research was narrow: The empirical base used by Fayol for generating a full-fledged theory of management is too narrow. Fayol based his theory of functionalism based on functions performed in a mining company. Contemporary organisations are definitely larger in size and are much more complex than mining companies.

On account of Unity of Command: Critics of the principle of ‘unity of command’ lament that it would be dysfunctional for the organisation to strengthen the hierarchy based on this principle, where the sense of unity is less, personal contact is limited and real differences of outlook are desirable.

Vague: Some of the concepts have not been properly defined. For example, the principle of division of work does not tell how the task should be divided. Again, to say an organisation needs coordination is merely to state the obvious. However, how to achieve coordination has not been explained (later explained by Follet). Simon calls Fayolism superficial, oversimplified & lacking realism.

Not empirical: Principles given are based on personal experience & limited observations. They are not verified under controlled scientific conditions. Some of them are contradictory. Example, UOC & division work.

Order of principle: Theory does not provide guidance as to which principles should be given precedence over the other within 14 principles.

Pro-management bias: Little attention to workers. Workers are treated as biological machines.

Robert Dahl: He criticized classical theory on the grounds that:

1. It has not been universally tested
2. It has not focused on human behaviour
3. Normative considerations have been excluded

On the basis of these three criticisms, Robert Dahl remarked that unless the following three factors are addressed, public administration cannot become a true science:

- (a) Comparative,

- (b) Human behaviour,
- (c) Normative considerations.

Dwight Waldo – He criticized classical theory for:

- (a) Its formal/structural/mechanical approach and ignoring informal aspects
- (b) Considering principles as most important determinants: Their deterministic and perfectionist approach is as if these principles are in the natural order and once that order is achieved; governments will achieve efficiency and productivity. This phenomenon adopted by classical thinkers was termed by him as 'cosmic constitutionalism'.

V. Subramaniam: In his article entitled 'The Classical Organisation Theory and its Critics', has mentioned the following two limitations of the classical theory:

- (a) It appears to be common sense propositions that don't appeal to the intellectual curiosity of the scholars of administration. Thus, there is a lack of sophistication in the theory
- (b) It is concerned only with the problems of management and not with the other operational problems in the organisation. Hence, it displays a pro-management bias.

Significance of classical theory: Classical theory, despite its limitations, made a significant contribution to the evolution of organisational theory and administrative thought. They are:

- The classical thinkers developed administration into a science. It was considered hitherto an art. Thus, it provided an answer to the call for the "science of administration" by Woodrow Wilson father of public administration.
- The classical writers were the first to propound the idea that administration itself is a separate activity that deserves intellectual investigation.
- The classical theorists promoted the use of certain management techniques such as reporting, accounting and budgeting in which public administration was deficient.
- Classical theory formulated a set of concepts in administration and evolved a terminology that could be used by subsequent researchers. It introduced some clear thinking on authority, responsibility and delegation.
- The classical theory offered practical prescriptions with regard to the construction of logical, rational and efficient organisational structures.
- Classical theory played an important role in rationalising and stimulating production in industrial organizations.
- The very limitations of the classical theory instigated further enquiries, investigations and research in organisational theory and behaviour. In fact, the classical approach to organisational analysis is considered the foundation of 20th-century administrative management thought.

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CHAPTER

Followers of Fayol- Luther Gullick & Lyndall

Urwick

They were strong supporters of Fayol and also admired the works of L D White & William Willoughby. They came up with classical theory of organisations. They were from USA and had experience of working in army, private organisations as well as govt. On the basis of their experience of working in various organisations, they proposed classical theory of organisations

Note – Classical theory of organisation refers to ideas of Fayol, Gullick & Urwick together

They give importance to classical structural features. They believe that any organisation can maximise efficiency only when its structure is proper. They came up with slightly different acronym than Henry Fayol & explained the functions of management as POSDCORB – Planning, Organising, Staffing, Directing, Coordinating, Reporting and Budgeting. POSDCORB is considered more comprehensive than Henry Fayol's POCCC.

They famously argued that administration is administration i.e form or type of organisation doesn't matter as some principles of sound administration will hold valid for all types of organisations

Principles given by Gullick & Urwick

1. Line and Staff principle

– They got inspiration for this principle from military organisations. In military, the work is divided into line and staff functions. Line personnel are those who actually participate in war. They face the bullets of enemy. Whereas the staff personnel formulate the policies in office. Same principle can be applied in work of public administration. For ex – the officials posted in secretariat are responsible for policy formulation whereas a directorate and its officials are responsible for policy implementation

2. Departmentalisation - four Ps of departmentalisation are

- a) Purpose – Ministry of Defence, Agriculture etc;
- b) Place – Ministry of External Affairs
- c) People – Ministry of Social Justice, Ministry of Minority Affairs, Ministry of Tribal Development
- d) Process – Ministry of Science & Technology

3. Delegation - it takes place within organisation strictly for administrative purpose i.e to improve administrative efficiency. The superior delegates some functions and powers to subordinates for a temporary period. However the responsibility lies with the superior only.

Note - Gullick and Urwick talked about delegation only not the below ones

Decentralisation – While delegation is administrative in nature, decentralisation is political in nature and refers to permanent transfer of power. Ex- 73rd and 74th CAA.

Devolution – It is used in context of transfer of resources within constitution. Ex – transfer of proceeds of taxes from Union to States.

Deconcentration – It refers to geographical presence of an organisation. Ex – office of DM or DC is example of Deconcentration. All subjects handled by CM at State level are replicated at district level

4. Span of Control - It refers to the number of subordinates who can be monitored, controlled and evaluated by one superior. It should be 8 to 11 according to Gullick & Urwick.

Comparison between Gullick & Urwick and Taylor's Scientific Management Theory

Similarities

1. Both emphasise on maximisation of efficiency
2. Importance to physical structure
3. Belief in universality of their principles
4. Closed systems approach.

Differences

SMT		G&U
1	Limited scope (industrial organisations and shop floor level)	Broader scope (all organisations and all levels)
2	Functional foremanship	Unity of command
3	Focus on specialization	Focus on departmentalisation
4	Didnot talk about span of control	Considered span of control as one of their structural features
5	Relatively rigid	Relatively flexible

Criticism of Classical Theory (Gullick & Urwick)

1. Ignored situational or environmental aspects
2. Lacks empirical validity
3. Internal inconsistency among principles. Ex- division of work and coordination, hierarchy vs esprit de corps
4. Ignores socio-psychological aspects

Q. Structural theory (classical theory of Fayol, Gullick & Urwick) is by and large grounded in classical principles of efficiency, effectiveness and productivity. Explain (2013)

Q. Governance is neither a paradigm nor a panacea for all the ills of govt. It may be a more useful approach when other methods fail in providing

Mary Parker Follet

Follet initiated studies on industrial groups and evolved principles of human association in an organisation. She argued that these principles are universal and can be applied in dealing with the current problems faced by any organisation. She made significant efforts to convince practising managers about the universal applicability of her ideas, which were quite dynamic during that era.

It is well accepted in organisational theories that although chronologically she belonged to the classical era, her views were innovative and much ahead of her times. She is also recognised as the continuous bridge between the classical, neo-classical and the modern organisational theories. It is often said that she was far ahead of her times.



She wrote mainly during 1920s and her main publications are: -

1920 The New State

1924 Creative Experience

1927 The Psychology of consent and Participation.

However, she is best known for the 1941 book “Dynamic Administration; collected papers of M.P Follet, which actually is a compilation of her papers and speeches done posthumously by Metcalfe & Urwick.

Urwick also compiled and edited many lectures delivered by Follet in another book titled “Freedom and Coordination”-1949.

Follet was unsatisfied with the mechanical organisational structures and recommended a much more dynamic and democratic approach on aspects like:-

- (i) Human association and group processes.
- (ii) Authority, leadership and control.
- (iii) Management of conflicts and coordination.

Her assumptions (about organizations)

1. She believed that organisations must protect the honour, independence and self esteem of people
2. She assumed that human beings are intelligent, responsible and capable
3. She re-interpreted the classical concepts

1. Her views on human associations and group processes:-

She was the first organisational thinker to give recommendations regarding principles of human association. She argued that when people work together in an organisation, there is always group activity called group dynamics. She argued that group dynamics is:-

- (a) The ways in which members of the group react towards each other i.e., the interpersonal relationship within the group.
- (b) The ways in which the group relates to the organisation i.e., the relationship of the organisation with the group.

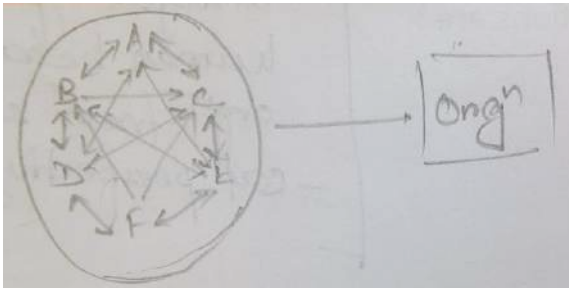
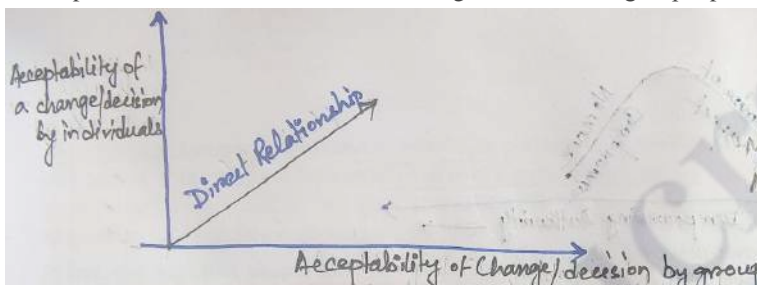


Diagram : Group dynamics

According to her, the group exerts strong pressure on individuals by the shared perception of the group. To elaborate, group has a common perception which can promote or oppose a change and therefore, if the organisation wants to create acceptance or motivation, it must take cognisance of the group's perception.



Diag: Effect of group on individuals

- (c) Thus, much before Mayo and his concept of informal organisation, Follet had recommended that an organisation must take into account the collective satisfaction or dissatisfaction of a group because group's perception affects group's motivation and the group's acceptance or resistance to changes.

2. Her views on Authority, leadership and control

Authority: On the issue of authority she argued that any human being would prefer 'working with someone' rather than 'working under someone' because every human being has a desire for self respect.

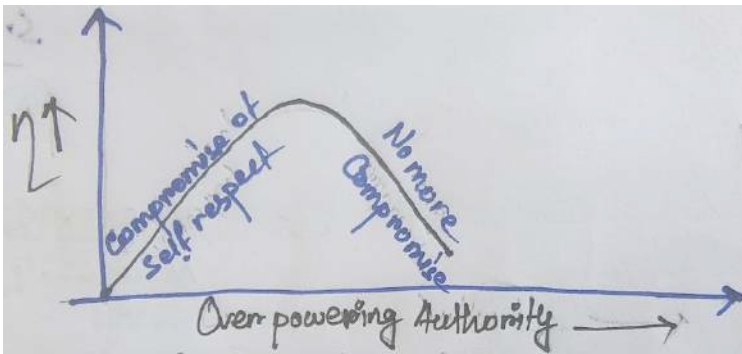
She considered everyone responsible, intelligent and capable and therefore no hierarchy required. Everyone is equal.

But, if everyone is equal who will give orders? Answer: Law of situation

She argued that orders should be depersonalised i.e., someone ordering and someone obeying is considered against the self-respect of the obeying person. To differentiate it from classical concept of depersonalization, she talked of "re-personalizing". She gave the alternative in the form of 'authority of the situation' where situation orders two people rather than one ordering the other.

Thus, authority of the situation will make orders situational whereas, the classical concept of authority is positional authority which results in formal orders and which practically operates as 'personalised orders' from one superior to the subordinate. She supported the idea of "authority of situation" on the logic that it will lead to enhancement of both efficiency and self-respect simultaneously whereas 'overpowering authority' may enhance efficiency but at the cost of self-respect. Such efficiency enhancement is likely to be short lived because self-respect may lead a man to disobey whereas, 'authority of the situation' makes compliance logical

and easier.



Diag: Effect of over-powering authority on efficiency

Leadership; Follet's views on leadership eventually relate to her views on authority and she rejects authoritarian leadership because the 'overpowering authority' of a leader is not conducive to follower's self-respect. She argued that leadership by function or "leadership by situation" is much better than leadership by position or personality. To elaborate, rather than an undiluted order-obedience relationship, good leadership is all about equitable relationships. An effective leader is one who treats his followers in a fair and equitable manner and leads by the situation.

Leading by the situation is described by her as:-

"A leader should be someone who can

- See around the situation,
- See the situation as a whole and
- Understand the total inter-relatedness of the situation with organisations' processes and policies and can see the evolving situation into the next one"

Thus, the leader has to demonstrate his grasp of the situation and his logical reaction to the current and the likely situation, then only his orders would be viewed as the orders of the situation rather than his orders.

In other words, the leader has to demonstrate 2 sets of abilities to earn the follower's respect:-

- His persuasive & convincing abilities rather than overpowering authority.
- The ability to assess and respond to a situation.

Control: She argued for 'co-optive power' rather than 'co-ercive power' or 'power with people' rather than 'power over people'. Extending this logic to how controlling function should be exercised, she recommended 'co-related controls' rather than 'super imposed controls'.

Corelated controls are described as controls in relation to the situation and which operate from multiple levels rather than a single level i.e. Where people collectively decide the control parameters or the benchmark against which performance will be controlled.

She further gave the concept of "fact-control" rather than 'man control' i.e., objective behind controlling should not be 'man oriented' i.e., it should not be a fault finding mission. Instead, it should be oriented around facts i.e., controlling should be a fact finding exercise. To elucidate, it can be realised that very often an employee may fail to achieve his desired or targeted performance because of factors beyond his control.

Fact-control will go into such analysis rather than putting the entire blame on the man. This kind of controlling mechanism aims at performance enhancement in future rather than performance criticism for past and is thus a futuristic and dynamic control mechanism rather than a post mortem one. In fact, she adds that people can exercise self-control and therefore, coercive controls and superimposed controls are anyway not necessary. Persons display the capability to understand the order of the situation and also the desire of their own 'self-worth' because of which they never want to underperform and will always activate self-control.

Conclusion: Thus, Follet's views on Authority, Leadership & Control reflect her democratic dynamism involving a logical, persuasive and respectful approach of dealing with people rather than an overbearingly coercive and authoritarian approach. Further, it is a dynamic approach because it considers 'situation as supreme' and everything else contingent upon it. (and the situation is ever-changing).

3. Her views on management of conflicts and coordination:-

Conflicts: According to her, conflict is a natural outcome of human association. She argued that conflict is not something that is inherently bad & therefore is not something that must be avoided at all costs. In fact, she argued that conflict is a constructive phenomenon. Her recommendation that:-

(a) Organisation must accept conflict as a natural result of collective human endeavour and individual differences among people.

(b) Organisation must try to devise ways of capitalising on conflicts i.e., gaining from conflicts. For this, she recommends one of the three ways to handle conflict as the capitalising strategy.

She identified 3 methods or strategies for handling conflicts

1. Domination

2. Compromise

3. Integration

She recommended 3rd strategy as the optimal strategy to capitalise on conflicts or for converting potentially destructive conflicts into constructive conflicts.

- (ii) **Domination:** As the name suggests, in domination formal authority is used by someone (generally the superior) to dominate so as to put an end to conflict. Thus, this is the repression of conflict where it is killed by force. It is the easiest of the 3 approaches but is short lived because it hurts the self-worth and creates 'win-lose' solutions. It is not good for harmony and good morale in the organisation because it hurts individual pride. In classical organizations, conflict resolution takes place through dominance, i.e., superior uses hierarchy, discipline and code of conduct.
- (iii) **Compromise:** This strategy buys temporary truce (peace) through mutual compromise where both the parties to conflict are made to give up something rather than sticking to their adamant stands. Thus it creates a 'lose-lose' solution and of course, does not give the optimal benefits. Follet calls this as fulfilling of partial desires rather than whole desire.
- (iv) **Integration:** Under this strategy, Follet recommends integration or incorporation of everybody's view point. This strategy seeks to create 'win-win' solutions by going to the root cause of problems rather than offering a symptomatic relief.

The real remedy, as indicated by the root cause can offer sustainable benefits, more so when it involves integration of everybody's interest. This is done by creating circulatory or reciprocal relationship so that each party understands the importance of the other.

Follet further argues that the integrative strategy is made up of 3 steps namely,

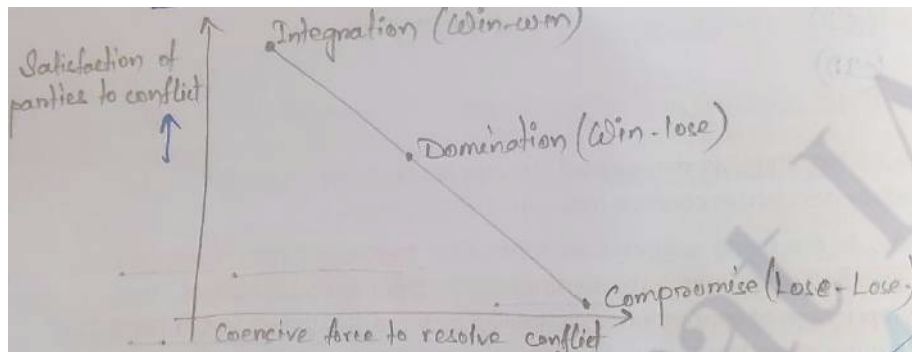
- (i) **Awareness:** accepting that there is a conflict rather than being in the denial mode.
- (ii) **Breaking up :** break up the issue into its smaller sub parts through minute analysis, so that root cause can be identified.
- (iii) **Anticipation :** anticipate the likely response from the other side. It is only when the parties to conflict can appreciate the other's perception & likely response, that they will understand circulatory relationship.

Thus, according to Follet, integrative strategy is not only a long term/ permanent solution but is also a

constructive solution, because it allows the organisation to gain from the variety of view points and yet sustain circulatory relationships.

Obstacles to Integration:

1. Natural tendency of people to dominate
2. Vested interest of leaders who might lose relevance if solution is reached at.
3. Language used in Integration



Diag: Strategies to handle conflicts

Her views on Coordination : Follet's contribution to the field of coordination is one of the most significant. She has given 4 principles of coordination namely,

1. **Direct contact** i.e., parties having the differentiation or a difference of viewpoint should be brought face to face so that they are given an opportunity to amicably sort out the differences and misunderstandings.
2. **Early stage** i.e., attempts at coordination or at conflict resolution should be activated at the earliest possible stage before things go out of hands.
3. **Reciprocity in relationships** i.e., there should be mutual interdependence between units, positions, individuals in the organisation so that there is a reciprocal/circulatory understanding about each other's importance.
4. **Continuity** i.e., coordination mechanisms or conflict handling processes cannot be a 'one-time' or episodic exercise rather, they should be ever present on a continuous basis so that preventive and prompt action can be launched.

How Follet's ideas were ahead of her times?



Various thinkers have argued that Mary Parker Follet was a prophetic thinker i.e., she had the foresight of a prophet and therefore could visualise and recommend many ideas much in advance

of the time.

In this context, the following Observations by experts are important

“Chronologically Follet was belonging to the scientific management era but, philosophically she belonged to the social man era.” – Daniel Wren

“Her conceptions were in advance of her times. They are still in advance of the current thinking and they are the goldmine of suggestions for anyone interested in establishing and maintaining human groups in an organisation.” – Metcalfe and Urwick

That her views were ahead of the era in which she was writing can be more specifically seen as under:-

Her concepts/ recommendations	Later similarity
1. Her analysis of human association and concept of social influence	Mayo’s Hawthorne Experiments & Informal organisation of 1930s & early 40s
2. Her views on importance of consent and participation in leadership	“Participative leadership” by Likert-early60s
2. Her concept and principles of coordination	Basis of systems theory of 1950s which talks about interdependence between & integration of sub parts or sub systems
4. Her concept of law of the situation	Made way for contingency theory of organisation or the situational design theory of 1970s
5. Recommendation of leadership by situation	1970s- ulfil onal leadership or contingency theories of leadership by people like Fred Fiedler, Robert House, etc.

Therefore it is fair to say that :

1. Follet gave ideas having seminal applications and validity.
2. Her ideas established and maintained a continuous connecting bridge between the classical, the neo-classical and modern theories of organisation

Classical theorists	Neo-classical theorists	Modern theorists
1910-20s	1930s-40s	1950s-70s

CRITICAL APPRAISAL OF FOLLET

The central theme of criticisms against Follet is that her theory lacks scientific basis and that her views are idealistic or utopian making her theory prescriptive rather than descriptive.

a. On the first theme, a commentator R.J.S. Baker noted:-

“Her work is not based on much systematic study. She threw out ideas more or less randomly and therefore the thread of consistency is hard to find and harder to follow.”

To substantiate Baker’s views it can be agreed that Follet has not carried out any empirical analysis or clinical experiments to arrive at her conclusions. Her conclusions largely born out of practical wisdom or life

skills. For e.g.: to argue that friction or conflict can be constructive, she gives the example of how friction in violin produced music & how friction in match box produces fire. Both good things.

a. On the second line of criticism, D. Gvishiani observed :

“Her ideas are illusionary and elusive, especially her views on integration because in real life, integration is close to impossible”.

He elaborates by adding that her views are ‘noble’ but, practically difficult to implement. For e.g. to hope that ‘everybody will fulfil his whole desire’ is a noble idea but is elusive.

In this context, it is often said that “the main problem with Follet’s idea is that her idealism is showing”.

Thus, there is more than a grain of truth in both the criticisms that (a) her ideas were too simple, generic and born out of practical wisdom rather than scientific analysis (b) her ideas are more prescriptive than descriptive.

She talks about ideally desirable solutions but these solutions are not always achievable. However, in defence of Follet, following can be stated:

1. The sheer difficulty in achieving a good prescription cannot be the reason for not trying it out. In other words, fear of failure cannot and should not prevent human endeavour from accepting the difficult or elusive ideas/missions.
2. Simplicity or lack of scientific analysis should not be viewed as a weakness alone because it can be the much needed quality for mass appeal and acceptance.

In this context, Gordon Wills noted:- “The simplicity in Follet’s analysis must not be allowed to conceal the true value and relevance of her ideas.”

Contribution of Follett:

1. Her ideas were seminal and highly original. It expanded the scope of discipline of Public Administration
2. Concepts like decentralisation, participation, coordination which are important concepts of public administration can be derived from her ideas
3. Her ideas like hierarchy less organisation are followed by present day service sector and mature organisations

Q. Mary Parker Follett traced the foundational value of business and enterprise on her way to understand the organism of governmental machinery. Comment. (2019)

MP Follett observed business organisations in US and UK. She believed that the ideas and concepts for successful working of business organisations can be applied to governmental machinery also. She believed in universality of her ideas. Following of her ideas may be applied to both business as well as governmental organisations.

1. Authority of situation
2. leadership by situation
3. Fact control and not man control
4. Her views on coordination
5. Her views on conflict resolution

Q. “Conflict is the appearance of differences – differences of opinions and of interests” (Mary Parker Follett). Comment. (2017)

Q. “Follet’s work was not directed towards the resolution of the conflict of ideas, but towards the resolution of structural conflicts between workers and capitalists.” In the light of the statement critically evaluate Follett’s idea of dynamic administration. (2015)

Q. “The main problem with Mary Parker Follett’s work is that her idealism is showing.” Explain (2006)

Q. In Follett's view "Authority belongs to the job and stays with the job." Explain (2005)



17

CHAPTER

Human Relations School

The over simplistic view regarding humans, as taken by classical thinkers started getting challenged around 1920s. In fact, scholars like Lillian Gilbreth & Mary Parker Follett gave initial suggestions about the need for studying the psychological or social dimensions of functioning of human beings in organisation. However, a systematic & comprehensive study of these aspects is credited to **Elton Mayo** known as ‘Father of Human Relations school of thought’.



The famous Hawthorne experiments (1927-32) conducted by Mayo and his research team from the Harvard Business School challenged the classical beliefs and this is called the Humanistic challenge to the era of classical-structural principles. The findings of Hawthorne Experiments lead to consolidation of a reactionist or replacement theory of organisations which is known as human relations schools/doctrines or a sociological approach to industrial relations and also as ‘a new beginning’. Classical theory emphasised the coordination of the physical processes and the adjustment of human beings to these processes whereas the human relations approach coordinated the human and social elements within the plant or firm into a functioning whole.

Mayo was an Australian scholar and industrial psychologist who migrated to USA after First World War. Elton Mayo analysed the impact of industrialisation on society and social relations.

- Before industrialisation, under feudalism, economy was agriculture based. Society was rural and life was community-based life.
- Under capitalism, people migrated from rural areas to towns with industries. This led to breakdown of community-based life and joint family system. In community-based life, people share their joys and sorrows which satisfies their social psychological needs.
- Human beings are social animals who can't live in isolation. Therefore, in industries, the workers will form social relationships with each other. Informal organisation was defined as the network of personal and social relations which arise spontaneously out of the likes and dislikes of the people for one another.

EXPERIMENTS BY ELTON MAYO

The first enquiry: It was done in Philadelphia textile mill where there was high attrition (falling short of strength and effectiveness) of employees.

Mayo gave worker rest periods after every two hours along with snacks and tested the effect of rest period on attrition rate. Rest periods reduced the rate of attrition. Many workers were from army and because of strict discipline and hierarchy, workers couldn't approach owners / managers (thus, supervision should be participative and not authoritarian).

Hawthorne experiments: The core idea behind Hawthorne experiments was to test the classical hypothesis or classical beliefs about the role of physiological, material & technical factors on workers output and morale.

4 phases: (need not to be remembered extensively, just have a broad idea)

Great illumination experiment: The initial aim behind first experiment was to see effect of rising & falling illumination (ambience lighting) on workers' production so that the classical belief of role of physiological conditions could be tested. Later on, the scope of enquiry was widened and other aspects of working conditions were also varied, to see their impact.

It was found that productivity increased at all levels of lighting.

Relay assembly test room experiment: During these experiments, workers were given successive privileges in form of bonus, incentive, free snacks, smaller working week, etc and successively these privileges were withdrawn. Ultimately it was demonstrated (Collectively by phase 1 & 2) that production & productivity kept rising irrespective of addition or withdrawal of the physiological, technical, economic factors.

It was concluded by Mayo that economic rewards & sanctions are not the determining factors, rather the social situation and the human relations at the work place (among workers themselves and between worker and supervisors also) are significant.

In more specific terms, it was the conclusion of phase 2 that 'supervisory technique' is the factor of increased productivity because:

1. It leads to a better social situation i.e., a sympathetic and friendly environment of work.
2. Informal social patterns can develop among workers and inter-personal relationship can improve if the supervisor is friendly, sympathetic & tolerant.
3. Morale improves because workers feel a sense of social security, social belonging and interactive superiors.

This conclusion is essentially at the heart of human relations doctrine / school of thought.

Mass interviewing program: Mass interviews were conducted & more than 20,000 employees were interviewed to allow them an opportunity of giving a vent to their feelings about the organisation, their work, their superiors etc.

The interview programme was intended to explore the role of attitudes and sentiments in the work productivity and workers morale. It was concluded that when workers are given an opportunity to freely express their concerns, they feel relieved and are more motivated because very often their common grievance is that the superior's attitude is not sympathetic enough towards their personal or family tragedies & towards their psychological concerns like the kind of treatment being given to them.

Mayo concluded that:

"Workers are activated by the logic of sentiments, rather than the logic of efficiency or cost which the management wants them to follow."

In other words, with autocratic & formal style of supervision and the unfriendly attitude of supervisors, the workers production is likely to remain inhibited.

Bank wiring observation studies: In phase 4, test workers were given a standardised output and were to be paid at common basic group rate but with individual financial incentives for the more productive workers.

The objective was to explore how social norms or group pressure control the output of workers.

The findings were remarkable because it was concluded that the group sets up its own standards and norms of output and everybody is expected to stick to them. Thus, Mayo concluded that:

"Informal groups and their production norms have such strong influence on workers that the capacity to produce has no direct relationship with the actual production"

This is so because even if a worker can produce more in terms of his merit & capability, he holds himself back and produces only as much the uniform norm is because if he does not conform to the group norms, he risks to be disapproved and ridiculed by the group.

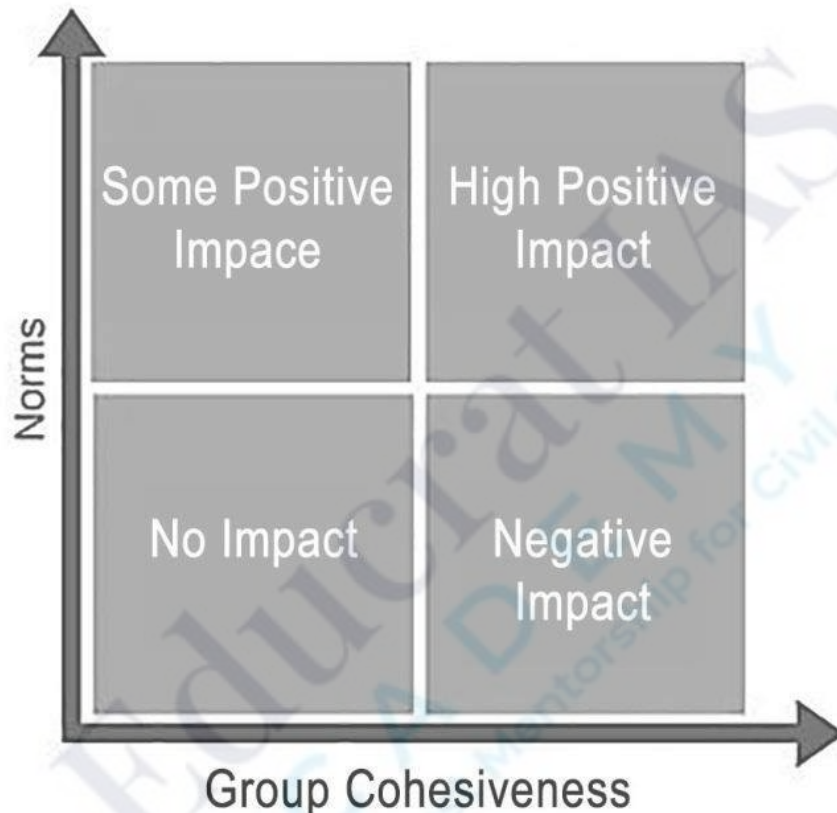
In this context, the bank wiring studies were used by Mayo to reveal certain types of disapprovals if the group members do not conform to the group norms

- (a) Rate Buster or Speed king i.e., a worker who produces above the norms
- (b) Chiseller- A worker who produces under the norms
- (c) Squealer-who interacts with management in a manner which can bring detrimental results to co-workers
- (d) Officious-a worker who behave too officiously or too formally rather than being friendly and supportive.

Ultimately, it was concluded from Bank Wiring studies that informal groups play the all-important roles in deciding workers' output because workers derive so much of satisfaction and support from them. It was also argued that:

"The overriding need of every human being is the desire to belong and to be accepted by the work group."

Mayo's Motivation Theory



Thus, Mayo concluded that human relations, both between workers & workers and between workers & supervisors are the key factors affecting output as well as morale. A happy worker is a more productive worker and he will be happy only if he has opportunities in the organisation to have a better social environment and better interpersonal relations.

MAYO'S CONTRIBUTIONS

Better understanding of man: The classical theory had some over simplistic assumptions and some preconceived notions about human beings which Mayo and his HR doctrines have changed forever.

Rabble Hypothesis by David Ricardo argued that humans are isolated and disorganised individuals and each of them is only driven by individual self-interest.

Term **Homo Economicus** describes human beings as entities that are:

- (a) Only rationally-economically driven i.e., by logic of material reward
- (b) Isolated rather than inter related or integrated
- (c) Dependent & easily subjugated and therefore will always obey a positional command.

Mayo rejected Rabble Hypothesis & Homo Economicus character. Later Simon formed this concept of Homo Economicus as main basis for consolidation of his behavioural ideas.

Better understanding of organisations: Mayo highlighted the need for understanding organisations as 'social systems' as against the limited and faulty visualisations of organisations as techno-economic systems or physiological systems by classical theories. In this context he noted:

"Industrialisation has destroyed the cultural traditions which promoted social solidarity and the pursuit of economic progress (as in classical theories) produces social disorganisation and unhappy individuals".

He argued that this approach to managing organisations is unsustainable and does not create organisational effectiveness in the long run because it denies workers a meaningful life at the workplace. According to him, the man's strongest need is the desire to associate and be accepted and loved and the onus for satisfying these needs lies on the managers in the organisations.

In this context, Mayo strongly recommended a new skill set for managers which will have strong emphasis on human and interactive skills. He argued that the classical emphasis on purely technical mechanical operative skills was incomplete and not capable of creating sustainable happiness and effectiveness.

A new skill set for managers: Mayo's findings were the pace setters for the much more thorough and analysed behavioural research. Mayo's initial ideas led to the full-fledged discipline of organisation behaviour or behavioural approach to organisations. Mayo's early suggestions regarding the importance of human relations, human behaviour and Human Happiness formed the basis for very wide ranging and rigorous research into key organisational processes like motivation, decision making, leadership etc, and these researches explained the importance of human behaviour in understanding and fine tuning these key processes.

As a result, various new concepts which govern today's management and administration could be evolved. For example, job enrichment, achievement-motivation, participative leadership, 2-way communication, joint decision making, etc.

In this context, a commentator D. S. Pugh noted: "*Mayo was a behaviouralist much before the term behaviouralism became popular*".

Mayo's associates (F. J. Roethlisberger): Roethlisberger was a fellow Harvard University researcher who was primary associate of Mayo in both the conduct of Hawthorne Experiments and the documentation of findings thereof.

He described 3 elements of the HR approach as an individual, his informal organisation, and his participative supervisors:

On individuals: Roethlisberger argued that a human being defies all cataloguing because he is **unique**. He has not only unique skills and values that he brings to the organisation but also unique hopes and expectations from organisation and therefore can't be treated with some oversimplistic assumptions. Therefore, he advocated a **case study** method to study and understand each individual.

On informal organisations: He argued that the overriding desire of a man is to belong and be associated with a group. In this context he noted:

"Social organisations are a reality. They should not necessarily be conceived as bad and therefore, should not be ignored."

He described that informal-social organisations are like shadow organisations – inevitable and undeniable.

On participative supervision: Roethlisberger argued that it is more liked and accepted by workers and therefore supervision should always be supportive, sympathetic and participative. He further argued that if the supervision is coercive and authoritarian, there is always a possibility of resistance specially resistance to change.

In this context he developed the concept of **X-Chart** to explain the resistance to change as a function of the social influence and the group norms.

Note: X-chart needs not to be studied explicitly.

He gave the concept of 'vicious cycle syndrome' wherein he argued that classical features create a vicious cycle of poor productivity in an organisation as:

- (a) Breakdown of rules causes more rules
- (b) Breakdown of supervision causes more supervision
- (c) Breakdown of authoritative controls causes more authoritative controls.

Thus, paradoxically managers aggravate the very same factors which inhibit performance, in their zeal to get more performance. In this context Roethlisberger observed famously:

“Too often we try to solve human problems with non-human tools whereas human problems require human solutions i.e., treating man not as an isolated atomistic economic entity.”

CRITICISM OF HUMAN RELATIONS SCHOOL

Elementary, Theoretical and Unsubstantiated

In this context, the main critique of Mayo is **Peter Drucker** who argued that: *“HR approach is a set of generalities and half-truths”*

He also argued that the HR findings are unsubstantiated and are in the nature of **degenerative slogans** which will soon lose impact.

In this context, he wrote an article in 1966: *“Human Relations: Where Do We Stand Today”* in which he questioned the validity of Mayo’s ideas as under: *“It did a good thing in exposing the lies of the classical theory but did not succeed in substituting new concepts”*

He also argued that Mayo’s approach **lacked empiricism or empirical validity** as it was based on findings from one organisation only.

Drucker further argued that human happiness can’t be the basis on which organisations are created and sustained. Mayo’s slogan of happy human relations will not solve the technical, environment or competitive problems of an organisation. In fact, the naïve, elementary and half cooked ideas of Mayo were expanded, refined and analysed by behaviouralist thinkers and that is why behavioralism is known as a more mature version of the neo-classical theory.

Ignores completeness of an organisation: As a reactionist replacement model, HR school remained as incomplete and unidimensional as the classical. It just sought to replace one kind of over emphasis by another kind of over emphasis. In other words, HR approach could not move beyond the either-or approach to management of organisations where techno-economic superiority and social-human superiority are visualised as mutually exclusive concerns. In fact, it was left to the systems theories to develop a balanced or synthesis approach where both those important concerns could be combined.

Clinical Bias: Hawthorne Experiments and their findings suffered from ‘clinical bias’. It is argued by critics that Mayo had his conclusions already pre-conceived and therefore the entire Hawthorne Experiments could be designed in a manner which gave him the conclusions he wanted.

In fact, Mayo himself described his research method as ‘clinical method’, which by the very nature is vulnerable to clinical bias.

In **inductive approach**, experiments are conducted on a small sample and findings are extrapolated to rest of the population. This method is mostly followed in physical and natural sciences. It isn’t so suitable in social sciences which deal with psychological man.

Critics believe that findings of HRT are abnormal because the sample size was too small and didn’t reflect the size and diversity of total number of employees (approx. 25,000). Alex Carey has observed that *“Mayo was facilitated by his 6 co-operative girls!”*

The concept of **‘Hawthorne effect’** represents a possibility where the test employees start behaving abnormally because of the sheer attention that they receive i.e., there was a possibility that the workers were so over-owed by presence of a Harvard team that they kept producing more no matter what variations in conditions were done.

Overlooked evil possibilities of informal organisation: The HR approach visualised informal organisation only as a set of virtues with no vice. Whereas, the experience with them has shown that they promote possibilities of group-think conformity, rumours and militancy. In fact, the workers on an average remain as voiceless and as rigidly treated under informal organisation as under formal organisation. Thus, the status of an average worker does not necessarily improve in the informal organisation.

Ideological criticism: The experiments by Elton Mayo were conducted to find out the factors for maximising profits of management. According to Marxists, Mayo-ism is a new technique to exploit workers

as it has **de-emphasised economic factors**. HRT creates a false sense of belongingness and togetherness. Critics argued that workers were better placed in classical organisations because they received better monetary incentives. Thus, HR thinkers were called ‘**Cow Sociologists**’. HRT was also strongly opposed by trade unions. Mayo gave higher importance to informal organisations. Trade unions are formal organisations and recognised by organisations.

Causal relationship: The critics have questioned the causal relationship as given by Mayo, that is, a happy and satisfied worker is a more efficient worker. This may not always be true. For example, employees may not be satisfied but are forced to be efficient whereas a government employee may be satisfied / happy but still not be efficient. Also, the causal relationship can be reversed, that is, an efficient employee will be a happy employee.

However, notwithstanding the criticisms and the possibility of clinical bias, even the strongest critics of Mayo agree that the general findings regarding the need for primacy to human beings in the organisation was correct. The enduring contribution of HR approach is the fact that it recognised and emphasised the need to study human beings, human behaviour & human relations.

Similarities between classical theories and HRT

- Both the theories looked at organisations from perspective of management.
- Both want to maximise efficiency. Classical thinkers defined human motivation only in terms of economic incentives but HRT added social and psychological factors.

Differences:

Classical theorists	Human relation thinkers
They looked at organisations as physical structures. Classical theories are called as structural theories	They looked at organisations as social systems
Importance to principles to increase efficiency	Importance to socio-psychological factors to increase efficiency
Classical thinkers considered work as individual innature	Work is a group activity
Individual is considered as an atom	Individuals are social entities
Classical thinkers focused on formal authority and formal leadership	Human relations focused on informal organisations or participative supervision
Uni-dimensional motivation – money	Motivation is multi-dimensional

TAYLOR VERSUS MAYO

Taylor:

- He propounded the concept of economic man.
- He viewed workers as isolated and unrelated individuals.
- He focused on tools, procedures and rules, than is, physiological and mechanical dimensions.
- He advocated autocratic management.
- He assumed the organisational man to be rational and logical.
- He was concerned with the motivation of the workers only.
- He advocated the monistic theory of motivation.
- His main concern was to find one best way of doing tasks.
- He viewed workers group as being totally hostile to management.
- He stressed on technical skills.

- He subscribed to rabble hypothesis (a passive view of man).

Mayo:

- He propounded the concept of social man.
- He viewed workers as social animals.

- He focused on people and groups, that is, sociological and psychological dimensions.
- He advocated participative management.
- He assumed the organisational man to be social and emotional.
- He was concerned with the motivation of both managers (employers) as well as workers.
- He advocated the socio-economic theory of motivation.
- His main concern was the workers satisfaction and morale.
- He did not view workers group as being hostile to management.
- He stressed on social skills.
- He rejected rabble hypothesis and subscribed to herd hypothesis.

Similarities:

- Both attempted to discover the causes of low productivity in the industry.
- Both believed that harmony and co-operation between workers and management would eliminate the industrial conflicts.
- Both held that the mistaken view of workers and employers was responsible for the output restrictions (low productivity) of the workers.
- Both emphasized that the approach of management should be scientific.
- Both, regarded efficiency and economy as the goals of an organisation.
- Both opposed the industrial conflicts as they obstructed the efficient functioning of organisations.
- Both -were motivated to improve the industrial productivity.

Q. What is distinctive about the classical and human relations schools of administration is their complementarity to each. Analyse (2017)

Q. “The design of the physical structure, the anatomy of the organisation came first and was indeed the principal consideration.” “An organisation is a system of interrelated social behaviours of participants.” Analyse these statements and evaluate the contributions of the respective approaches to administration theory. (2013)

Q. To what extent has the human relations movement contributed to the knowledge and practice within the field of personnel administration? (2006)

Q. Explain the contribution of George Eton Mayo to the development of the Human Relations School. How did behavioural scientists modify his basic findings? (2002)

Behaviouralism & its criticism:

Behavioural approach as known as Socio-Psychological approach, new human relation approach aims at a scientific study of organizational behaviour. Thus it seeks to develop a practical propositions about human behaviour in organizational setting by undertaking systematic, objective & empirical studies. According to H. Simon administrative science (behaviouralism), should study the fails of behaviour without getting involved the question of values.

David Easton has mentioned **8 basic principles** of Behavioralism

- 1. Regularities:** Discoverable uniformities in human behaviour which can be expressed in theories or generalize enabling explanation & prediction.
- 2. Verification:** Acceptance of knowledges only we can be empirically tested & verified.
- 3. Techniques:** Adopting appropriate methods for collecting recording, interpreting data
- 4. Quantification:** Measurement & manipulation of data in administrative analysis but only where possible, relevant and meaningful.
- 5. Values:** Being value neutral or separating values from facts as ethical evaluation & empirical explanation are two diff things.
- 6. Systematization:** Both research & theory building must be systematic & be viewed as intertwined parts knowledge.
- 7. Pure Science:** Establishing link between theoretical understanding of administration & application of knowledge (theory) to practical problem-solving.

8. Integration: Inter disciplinary focus facilitating cross fertilization of concepts & theories among social science.

Criticism: 1. It makes study of PA rather sterile & irrelevant to the major issues of public policy because it excludes value from study of PA.

2. It can't explain value oriented (ethical) issues of admin". It is a mode of positivism to seeks a value free knowledge. Ethically neutral is both conservative & socially irrelevant.

3. It is valid, useful for study of small organization.

4. It does not suggest anything correctly to improve the overall functioning of the administrative Organization. This is because behavioural approach is descriptive rather than normative, that is, it **explains what is** rather than prescribes "**what ought to be**".

5. It does not provide adequate conceptional framework to understand the organisational phenomenon. This is because behavioural approach concentrates on the psychological variables of Organizational phenomenon. Thus, the behavioural approach micro rather than macro in its orientation & analysis.



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Chester Barnard

Chester Barnard worked in many large scale private organisations at top levels. He noticed that there was substantial difference between what the classical theories of organisation proposed and what he noticed as part of his organisation experience. Based on his experience of private and public organisations, he wrote a book entitled “The functions of executive” in which he gave his ideas on how to run organisations in efficient manner. He is called father of behaviouralism within the discipline of public administration. Also known as father of social systems approach to organisations

He argued that the real role of executives is not to create efficient structures, one best methods or extract work from workers using authority or obedience, rather his real functions are-

1. to have communication with certain characteristics like its acceptability, its free flowingness etc;
2. to create a commonality of purpose through persuasive and supporting communication.
3. to obtain contribution by creating a desire among workers to willingly contribute.

It is for this reason that Barnard’s theory is also known as the theory of cooperative behaviour. Barnard asked a basic question that what is an organisation and why organisations are formed. Answer to this question is that man cannot fulfill all his needs alone and therefore joins hands with other human beings. For ex – marriage is the most basic form of organisation.

Barnard defined organisation as a cooperative system of two or more people coming together to achieve their common objectives through coordination. This definition shows following shift in emphasis

- a) People – that is human resource rather than non human resource
- b) Coordination
- c) Conscious study of behaviour rather than auto goal congruency

Thus Barnard argued that people in general will cooperate with the organisation and will accept organisational goals as their goals if there is a commonality of purpose and the organisation consciously reaches out to them and satisfies them on a more broad based pattern. People join organisations voluntarily to satisfy their needs. An organisation satisfies the needs of its members and in return the members contribute to the organisation. Barnard defined efficiency not just in economic sense or output input ratio but as the ability to offer broad based and satisfactory inducement which can obtain willing contribution from all. According to Barnard, people contribute to the organisation as long as the organisation satisfies them by offering inducements. He called this as satisfaction-contribution-equilibrium. If employees feel that the satisfaction they are getting is less than contribution, either the workers will leave the organisation or they will reduce their contribution so that there is an equilibrium. If organisation wants to increase the contribution of its members, it must increase the satisfaction of the members.

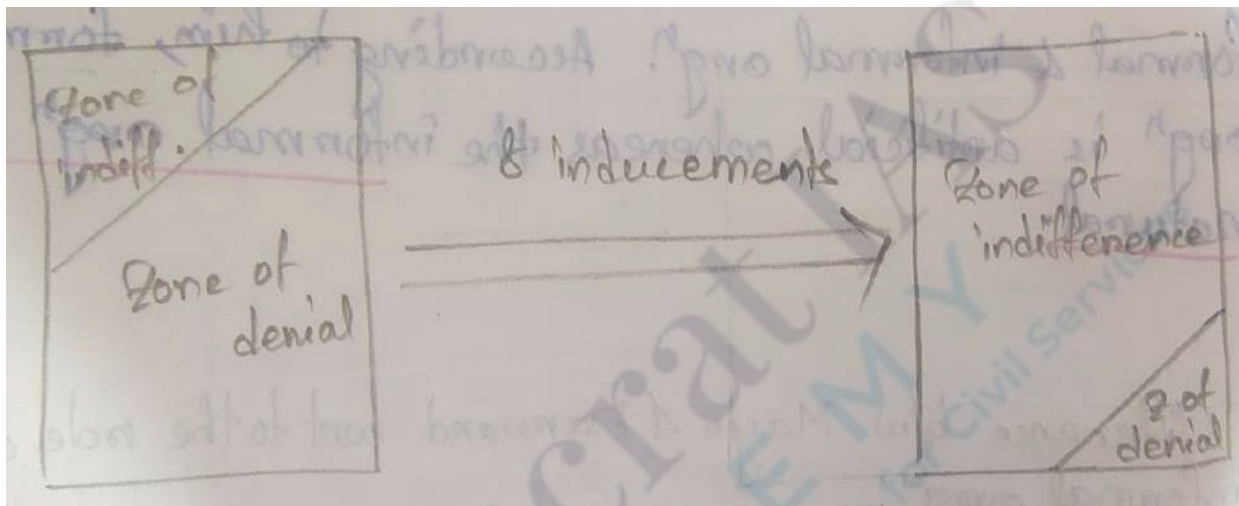
To further substantiate his ideas about satisfaction-contribution-equilibrium, Barnard gave the concept of multiplicity of satisfaction i.e a man’s satisfaction doesnot depend on a homogenous class of inducements. He recommended four categories of specific inducements and four categories of general inducements which collectively determine whether employees would be satisfied or not (and hence whether they will give willing contribution or not)

4 specific inducements

1. Material inducements like salary, bonus, physiological aspects of work conditions, number of leaves etc
2. Personal and non monetary aspects like oppurtunities for distinction, prestige and power
3. Desirable physical conditions of work i.e work environment, hygiene, health, safety etc;
4. Ideal benefactions/Socio-psychological features eg – pride of workmanship or likeablity of the job, creative or aesthetic sense in job, sympathetic supervisors

4 general inducements

1. The associated attractiveness i.e comparative satisfaction with the inducements as i get and what others are receiving
2. The adoption of working conditions which workers like or seek
3. Opportunity for and large participation i.e do the workers believe that their supervisors will involve them and consult them before taking decisions
4. The condition of associating or interacting with others i.e do workers find an environment where they are allowed to interact, form groups and develop fraternity at work place.



Authority according to Barnard

In classical organisations, hierarchy decides the superior-subordinate relationship. According to MP Follett, hierarchy should be based on law of situation. According to Barnard, there are **two different kinds of people** in an organisation

1. those who are not willing to take responsibility for their actions and are willing to accept authority of others provided others are willing to take responsibility for their actions. Such people will occupy subordinate positions.

2. Those people who are willing to take responsibility for not only their actions but also actions of others (similar to transformational leadership), such persons will be in superior positions

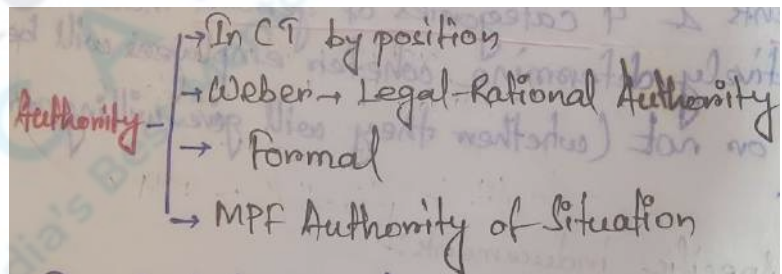
In classical organisations, authority is defined in terms of dominance (legal-positional authority) i.e ability of the superior to dominate the subordinates. Whereas, in Barnard's organisation, superiors can exercise authority only when the subordinate is willing to The authority is the character of communication. Subordinates will implement the orders when the communication is done with following features

1. Communication should be understood by subordinate
2. Order should be consistent with organisational objectives
3. It must be in consonance with individual motives
4. The order must fall within physical and mental capabilities of subordinates

The orders given by superiors fall in two categories

- a) Zone of indifference – satisfaction > contribution
- b) Zone of denial – satisfaction < contribution

In his concept of authority, Barnard talks about fiction of authority. For someone outside the organisation, it looks as if superior is exercising authority over subordinate. He called it fiction of authority whereas the real authority lies in the hands of subordinate because subordinate has the freedom to decide whether orders of superiors will be accepted or not.



To expand the scope of zone of indifference, Barnard recommends the use of –

1. informal organisations
2. persuasive communication
3. Contribution satisfaction equilibrium

According to Barnard, informal organisations satisfy the social needs. Every informal organisation has a leader. The formal management may convince the leader of informal group about the order and he, in turn, can convince others. Thus Barnard believed in integration of formal and informal organisation. According to him formal organisation is artificial, whereas the informal organisation is natural

Difference between Mayo and Barnard with respect to role of informal organisation

Mayo believed that management should use the informal organisation to manipulate the emotions and sentiments of workers so that it can be used to maximise profit and efficiency of organization.

Barnard believed informal organisation must exist to maximise satisfaction of employees along with maximising efficiency.

Barnard's views on decision making

According to Barnard, there are two types of decisions made by people within an organisation

1. Individual decisions – based on emotions, sentiments and feelings. Hence they are irrational
2. Organisational decisions – they are collective decisions by members of organisation. They are rational. They are taken to achieve the goals of organisation.

Barnard's views on communication

1. Defined communication has life blood of organisation
2. If communication channels are broken down, it leads to end of organisation

Significance of communication

1. used by formal management to issue orders
2. To resolve conflicts
3. To formulate common objectives
4. for coordination
5. to motivate members of organisation
6. For emergence of informal organisation
7. To expand zone of indifference
8. For feedback
9. To evaluate performance

Communication factors

1. The channels of communication should be known
2. Line of communication should be direct and short
3. Every communication should be authenticated

Leadership according to Barnard

1. Barnard criticised classical thinkers for their positional leadership i.e any person at a higher level automatically becomes the leader. He criticised classical thinkers for ignoring the role of values while defining leadership. He was influenced by MP Follett. He defined leadership in terms of moral responsibility. Morality is the inner strength of a leader to resist the temptation of using organisational resources for personal purpose. A good leader is not someone who can just maximise efficiency in terms of output input ratio. According to Barnard, the functions of executive (leader) are

- a) formulation of organisational goals
- b) maintaining a direct, persuasive and clear communication
- c) obtaining willing contribution of the members

Criticism of Barnard's theory

1. It is a descriptive theory of organisation i.e it describes ideal situations but don't provide solutions
2. Concepts given by Barnard are complicated and he did not provide any empirical evidence to support his theory
3. According to Barnard, the most important function of the leader is to formulate objectives of an organisation but he did not explain how to do it.

4. If any employee refuses to accept the orders despite the efforts of informal organisation, he should be punished. Therefore, Barnard criticized classical thinkers but himself is giving classical solutions

Contribution of Barnard

1. For the first time, he analysed dynamics of human behaviour within organisation from social and psychological perspective and hence known as father of behaviouralism within public administration
2. Influenced many other thinkers like Herbert Simon
3. Expanded the scope of discipline of public administration
4. Brought workers to the forefront of organisation



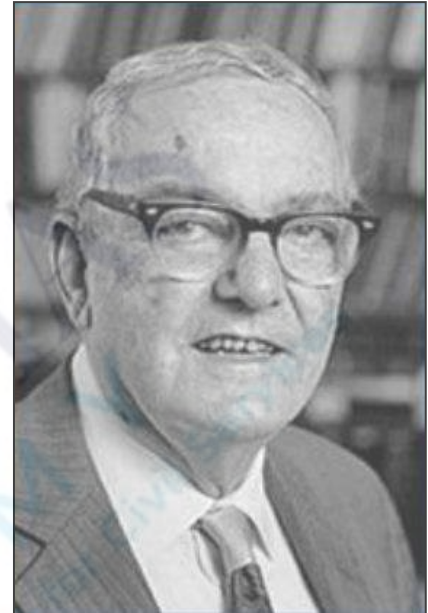
Basics of Ecology, It's Concepts and Terminology

Simon was an economist (Nobel Prize in economics), psychologist, political scientist and sociologist whose contribution to the field of PA, decision making & organisational theory is one of the most significant. He has made substantial contribution to the social system approach to organisations, behavioural school of thought & understanding the decision-making process in organisation.

In fact, he explored many dimensions of the process of decision making and therefore his name is most associated with the field of decision making. By his own admission he was a 'monomaniac' i.e., a person with a single pursuit namely, decision making.

From a public administration view point, the following dimensions of decision making have significant contribution from Herbert Simon:

1. Behavioural Approach to Organisational Theories (using decision-making process understanding)
2. Concept of (Bounded) Rationality and limits to rationality
3. Value free science of administration / decision making methodology of logical positivism



Simon's criticism of 'Principles of Organisation' as given by classical theorists:

- Called them as proverbs (sayings of old men).
- Are self-contradictory.

Example:

- (a) functional foremanship vs Unity of command;
 - (b) impersonality vs esprit de corps;
 - (c) one best way vs initiative
- Lack empirical validity
 - Take human behaviour for granted
 - Principles of organisation failed because they focused only on efficiently **implementing** decisions rather than understanding decision-making process.

What is a decision?

It is a process of selecting the best alternative among the given choices. 3 stages of decision making:

1. **Intelligence stage:** Realising the need or situations where a decision has to be made.
2. **Design stage:** Finding out alternatives.
3. **Choice stage:** Choosing the best alternative on the basis of cost-benefit analysis.

Why Simon's decision-making theory can be a universal theory?

If decisions are made strictly on basis of rationality, organisations can always maximise efficiency. Since, rationality is universal; Simon's DMT which is based on rationality can be called a universal theory of

organisation.

According to Simon, there are two components of decisions:

Facts	Values
Based on data and information	Based on traditions, beliefs, social norms and attitudes
Can be empirically verified	No empirical validity
Universal	Individual
Rational	Irrational (Maybe)
Quantitative (measurable)	Qualitative

A decision is rational when it is based on facts and completely free of values. If values are considered while making decisions, decisions tend to become irrational. Rationality is possible when decisions are based on logical positivism (logical means reason and positivism means facts).

How can organisation influence decision-making by individuals?

Simon has talked about 6 recommendations:

- 1. Zone of acceptance:** Simon got inspiration from Barnard and suggested that management should take only such decisions and use only such authority which will find acceptance.
- 2. Inducement-contribution net balance:** Taking the concept of satisfaction-contribution equilibrium as given by Barnard, Simon goes a step further to argue that there should be a net balance, that is, there should be belief among people that their inducement at workplace is more than the contribution expected.
- 3. Communication:** According to him, better free-flowing and multi-lateral communication which uses both formal and informal channels is required.
- 4. Standard operating procedures (SOPs):** They are recommended for routine or repetitive decision-making. (Programmed decision-making)
- 5. Training:** To provide better facts and analytical ability so that fact-based rational decisions can be taken.
- 6. Indoctrination:** Simon recommends an organisational indoctrination which is actually a counter indoctrination so that individuals start believing in commonality of purpose.

Simon's concept of bounded rationality: While describing decision making in organisations, Simon challenged the traditional concept of 'rationality'. He argued that a decision maker may intend to be rational but may eventually fail to be completely rational, because rationality is not limitless. It has some 'bounds' or 'constraints.' Again, he describes the real process of decision making rather than assuming that every decision maker can take perfectly rational decision at will every single time. This assumption was inherent in classical theories because it was believed that perfectly rational decisions will be sought and achieved all the time.

According to Simon, the perfect rationality or optimising model of decision making has 3 inherent assumptions:

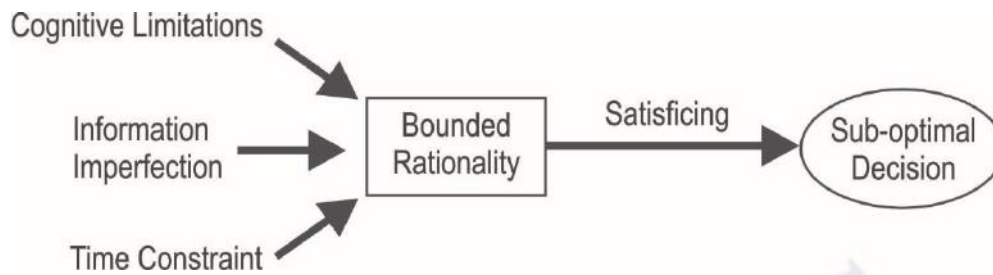
1. Perfect knowledge i.e., decision maker has complete knowledge about the decision situation (called decision premise) and complete information about various possible alternatives.
2. Perfect Analysis i.e., decision maker has unlimited capability to carry out a complete analysis and does not suffer from any time, cost or capability constraint.
3. Perfect Objectivity i.e., decision maker has a clear and objectively quantifiable ordered preference of alternatives so that he can pick the best w/o allowing any value constraints to affect his choice, for Eg: intuition, emotions, sentiments, personal/social biases.

Simon rejected all these 3 assumptions and argued: "Realistically speaking, perfect rationality, in terms of completely informed, completely logical & completely objective decisions, is rarely achieved."

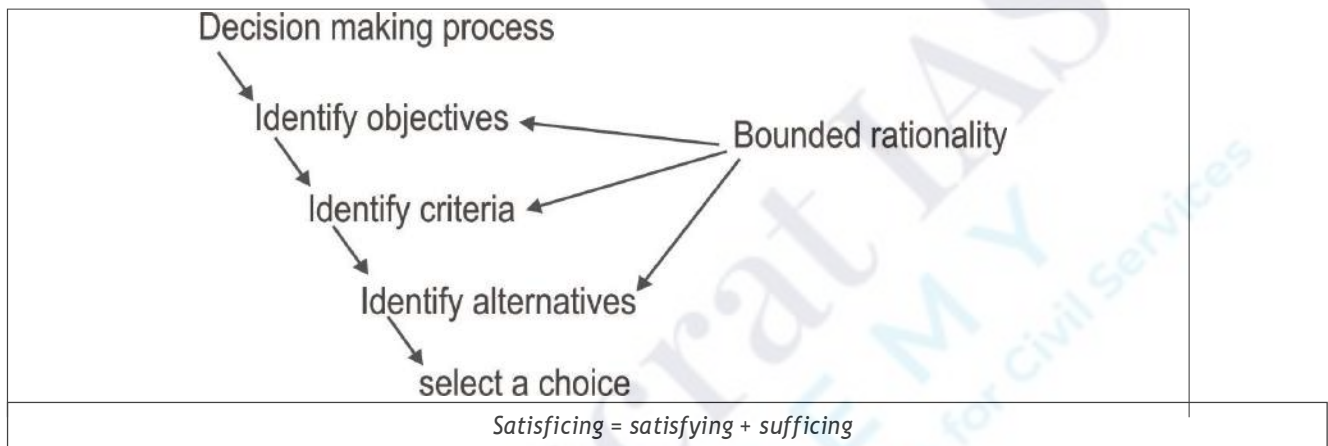
According to Simon, decision-makers can be categorised into 3 types:

- 1. Social man:** Someone who takes decisions based on emotions, sentiments and values. He is irrational.
- 2. Economic man:** Takes completely rational and fact-based decisions.
- 3. Administrative man:** A person capable of rational decisions but realises the limits or boundations, that is, neither totally rational nor totally irrational.

Decision making by 'administrative man' is based on bounded rationality. He looks for not complete satisfaction but sufficient satisfaction, that is, aspiration adaptation.



Even if rational decisions can be taken today, they may not remain rational tomorrow.



According to Simon, facts should be used to make decision making and dependence on values should be minimised.



Means can be equated to facts, ends always involve values. What is an end today becomes a means tomorrow and what is a means today, can become an end tomorrow. When means becomes end, decisions become irrational. An administrative man realises that in real world, optimal decisions aren't achievable and therefore, he decides to make satisficing decisions, that are, good enough decisions.

March and Simon have classified limits to rationality into 2 categories:

Cognitive impediments:

These are constraints or impediments which affect the perception of desirability of rationality in the mind of an individual.

- An individual may often have ambiguities regarding what is rationality?
- what really is rational behaviour on his part? and,
- rationality from whose stand point?
- Again often, his cognitive understanding of rationality is imprecise or unclear because very often he perceives a mismatch between what is rational from organisation's standpoint and what is rationality from his viewpoint. This mismatch or lack of clarity creates a constraint because of which he has objection or reservation about going for decisions which organisation considers rational but he does not.

In this context Simon even defined many interpretations of rationality which led to this cognitive impediment because the decision maker is not sure whether these rationalities are compatible. These are:

- (a) Organisationally rational decision-is one which is oriented towards organisational goals.
- (b) Personally rational decision-is one oriented to individual goal of concerned decision maker.
- (c) Objectively rational decision-is one which actually maximises the pay-off.
- (d) Subjectively rational decision-is one which maximises the pay-off in perception of the concerned divisionmaker but actually falls short of objective rationality.

Thus, it can be seen that often an average decision maker, in his belief, is going for rationality but the rationality that he goes for is often personal or subjective rationality rather than organisational or objective rationality. Thus, even while he is optimising, he is actually sub-maximising or sub-optimising.

These cognitive impediments are also described as 'values' i.e., various kinds of social & psychological influences which affect a decision maker's perception and decisions. For example, peer pressure, social conditioning, group sentiments, unsubstantiated beliefs, his traditions and value system, intuition, guesswork, heuristics and habit.

According to Simon, the cognitive impediments can be substantially prevented, managed or resolved through the organisational system of influence through which a commonality of purpose is created which in turn leads to commonality of perception of rationality. As a result, the concerned decision maker will go by facts rather than values. Thus, the value fact dichotomy can be resolved positively i.e., more role to facts than to values (recall, he stops probing decisions)

External impediments:

- Lack of information or lack of facts. This gap in facts is then filled by values like personal choices, peer advice, heuristics, social conditioning etc. To overcome this, Simon suggested use of MIS (Management Information System) so that the management can supply the required facts to the individuals so that they aren't forced to depend on values in absence of facts. MIS is a system of collation, dissemination & usage of relevant information which can be used in decision making.
- Information overload.

"A wealth of information creates a poverty of attention" - Herbert Simon.

"Bad money drives out good money." – Thomas Gresham.

It means inadequate processing capabilities. Thus, while information inadequacy directly affects the quality of decisions, overload indirectly affects the quality of decision by curtailing the processing capabilities of the concerned decision maker. In such a situation he has a tendency to use shortcuts i.e., partial analysis or, worse still, no analysis at all i.e., he actually uses value shortcuts, heuristics, peer advice, intuition, social conditioning etc.

Criticisms of Simon:

1. Chris Argyris criticised Simon on 2 grounds:

- (a) That he has justified incompetence in the name of bounded rationality.

This criticism is not fair because Simon nowhere justifies or prescribes bounded rationality. Bounded rationality is only a description of the likely reality which Simon has given. Whenever an administrator fails to take optimal decisions, he can always come out with the excuse of *satisficing* (Satisfying +sufficing) that is, he can give reasons and justify their sub-optimal decisions. He can justify his inefficiency.

- (b) Simon prescribes value-free decisions whereas decisions can never be value-free because parameters like intuitions, traditions, values can't be completely neglected.

The criticism is correct partially because in a way Simon ends up prescribing perfect rationality. However, it needs to be noted that Simon never visualises a zero-value decision based 100% on facts. According to him, decisions are always a combination of facts and values. What he suggests is not to let those values become impediments using organisational system of influence and creating a commonality of purpose. What he recommends is complete curtailment of forced-reliance on values.

2. Norton Log & Philip Selznick argued that Simon's concept of value-fact dichotomy is essentially politics-administration dichotomy in a new guise. It needs to be realised that the term 'values' is used by Simon in two different contexts with two entirely different interpretations:

- (a) In his 1947 article – '*A comment on science of PA*', he has argued for values as described by the policy purpose behind an administrative action. Here the suggestion (by people like Simon, Dahl, Waldo) is that an administrator can't be just a blind implementer of a given policy. He must ask value questions or normative questions regarding policy making or policy reform.

- (b) In his 1958 book – '*Organisations*' (along with March), and in his 1960 book – '*The New Science of Management Decision*', he has used the term 'values' as cognitive impediments or socio-psychological influences on decision making like heuristics (trial and error), intuition, thumb rule, peer pressure. In this context, he is anti-values and rejected this kind of values. He wanted fact-based decisions.

Thus, both his viewpoints are mutually compatible & not contradictory.

1. Critics argue that idea of fact-based administration is more relevant to business administration than public administration. There are difficulties in measuring the consequences of many governmental actions and their costs. Value-free decisions are neither desirable nor feasible in public organisations.

Therefore, Simon's concept of logical positivism can be applicable for private organisations where decisions can be taken based only on facts.

3. It is said that Simon's rational DM model is an abstraction and hence an unattainable ideal in the real world.
4. Simon's theory is also criticised as extremely general; although it provides the framework, it does not supply adequate details to guide organisational planners.
5. **Barnard's criticism of Simon's DMT:** Simon believed that complete rationality is possible only when decisions are based only on facts. According to Barnard, organisations can survive for longer periods of time only when they are based on strong ethical foundation. Even in private organisations, value-free decisions aren't desirable. For example, the great depression of 1930s, 2008 global financial crisis, Harshad Mehta scams, Satyam scam etc.

6. Simon has given excessive importance to decision making in organisations and ignored other important aspects like how to implement decisions, feedback and other structural and procedural features. (Simon called himself as a mono maniac)
7. Simon criticised classical concepts but ends up recommending some of them. For example, Simon talks about rationality which was a classical concept given by Weber; similarly, his value-free decision making is similar to feature of impersonality given in Bureaucracy model.

Contribution of Simon to PA as a discipline / field of study:

- When discipline of PA was facing severe crisis, Simon provided solution with his decision-making theory. The crisis happened because both the initial paradigms of discipline of PA got challenged.
- Simon's decision-making theory expanded the scope of discipline of PA because he brought focus on decision-making process rather than just decision implementation.
- Within public policy analysis, Simon initiated the rationalist paradigm. His

contribution to practice / profession of PA:

- Simon suggested that administrators can make rational decisions by use of computers, MIS and statistical models. It has helped the administrators to take decisions rationally all around the world.
- By emphasising 'acceptance' as the basis of decisions, Simon has given people, at all levels, opportunity to participate in decision making.
- Simon has explained the difficulties faced by the practising administrators with the help of bounded rationality and 'satisficing' decisions.

Participative Management or Participative Leadership

Why participative management?

Classical organisations failed to maximise efficiency or failed to maintain efficiency in long term because of excessive focus on mechanical aspects of work, centralised structure, top down approach of implementation and non participation of people at lowest level in activities of organisation. When people are denied the opportunity of taking decisions or participating in decision making of organisation, they lose interest in activities of organisation. They become passive participants which ultimately makes organisation inefficient in long term. Thus what is needed is providing opportunities to people at all levels in organisation to actively participate in organisational activities in terms of decision making and implementation. This creates a sense of togetherness and belongingness. It can make organisations efficient in long term. Thus the solution to the problems of organisations lies in participative management



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CHAPTER

Chris Argyris

Chris Argyris, another prominent behavioural thinker was a contemporary of McGregor and has given ideas which strongly resemble McGregor's ideas. He wrote many influential books on Organizational theories & Organizational Behavior, the most prominent being:

Personality & Organisation - 1957

Integrating the individual & organisation - 1964

The central theme presented in these 2 books is "Goal congruency through participative model".

The main argument in Argyris theory is that-

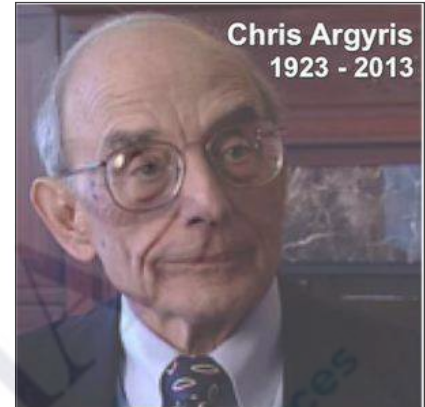
"There is a basic incongruency between the prevailing organisational strategies and the needs of healthy mature individual".

Background: Chris Argyris analyzed the dynamics of human behaviour in industrial organisation & believed that satisfaction of workers can be increase/ maximize efficiency of organizations. His theory is based on assumption that every individual is capable of achieving self actualization. The CTs gave emphasis on profit maximization & not maximization of satisfaction of employees which resulted in conflict b/w the profit motive of the organization & higher order needs of mature individuals (self esteem & self actualization).

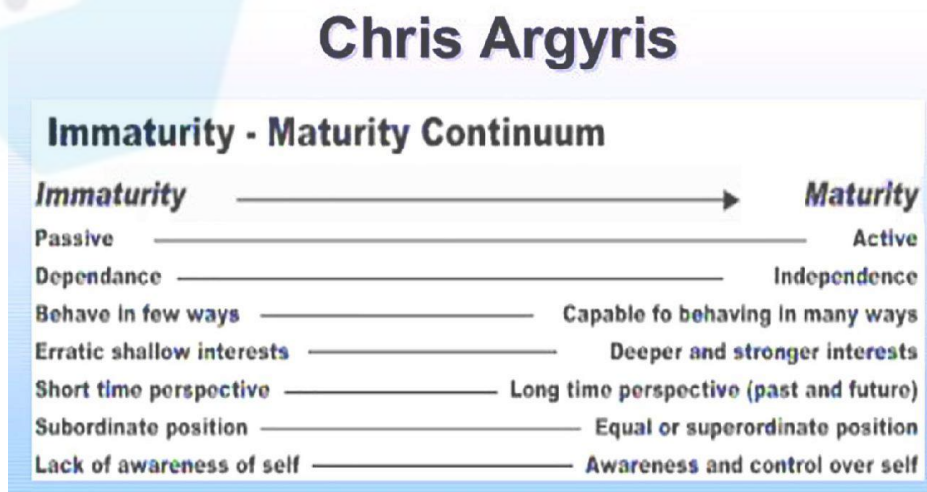
Immaturity-Maturity Continuum Model:

C. Argyris argued that classical thinkers focused on one best of work, hierarchy, rule orientation, discipline etc. This was based on wrong assumption that individuals are immature. This led to inefficiency. Thus, this organizational incompetence resulted because of 2 reasons:

1. At individual level of employees, they are considered incompetent to express themselves & satisfy their higher order needs. The solution is sensitivity training & job enlargement.
2. At managerial level, wrong approach is used to achieve organizational efficiency.



Chris Argyris



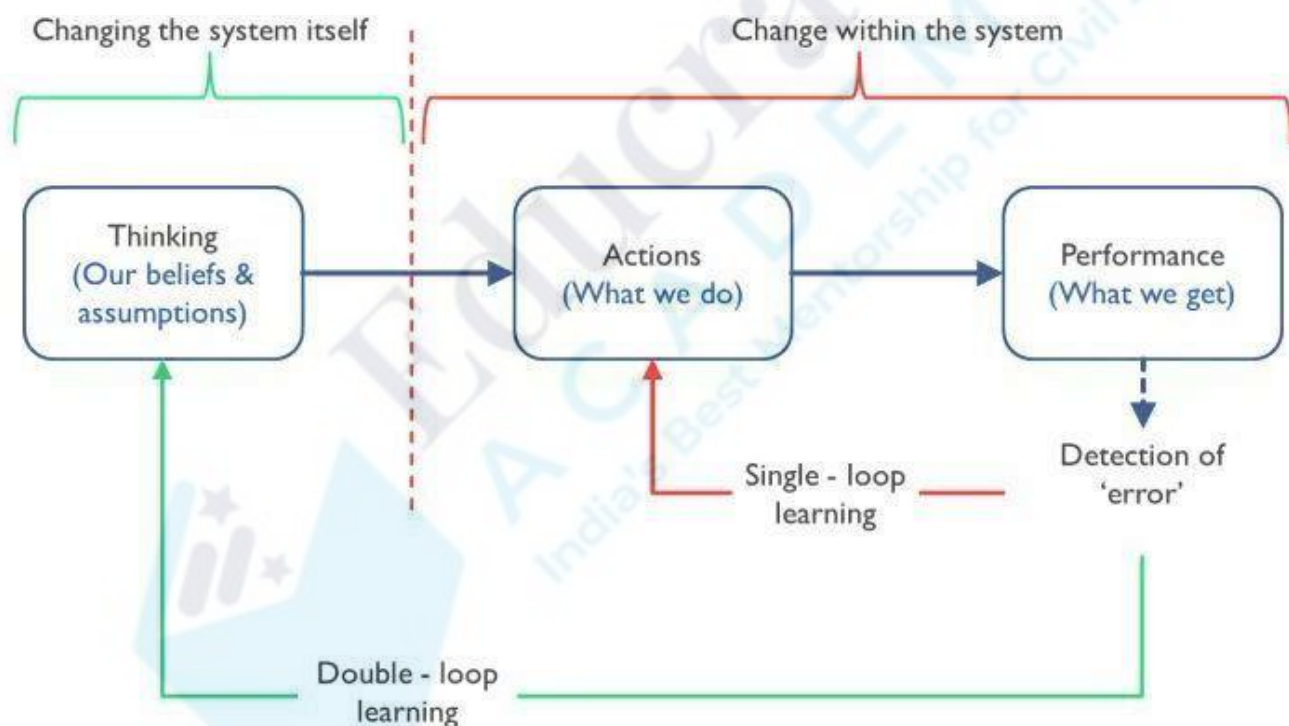
Through the immaturity-maturity theory Argyris argues:

- (i) Human beings move or seek to move from immature to mature personalities i.e. A to B type.
- (ii) As they move towards maturity, they expect their organisation & managers to treat them differently.
- (iii) If that kind of treatment is not forthcoming, they feel a conflict between their healthy needs and the organisational features. (i.e. basic incongruity)
- (iv) As a result, their behaviour tends to be characterised by undesirable dimensions namely
 - (a) Apathy, non-involvement & lack of interest
 - (b) Seek a movement up the hierarchy because there, the incongruity is less.
 - (c) Quit the organisation.
 - (d) may use defensive mechanisms

Thus, the onus is on the organisation to:

1. Facilitate people's movement along this continuum -
2. Fulfil their participative expectations when they are more mature.

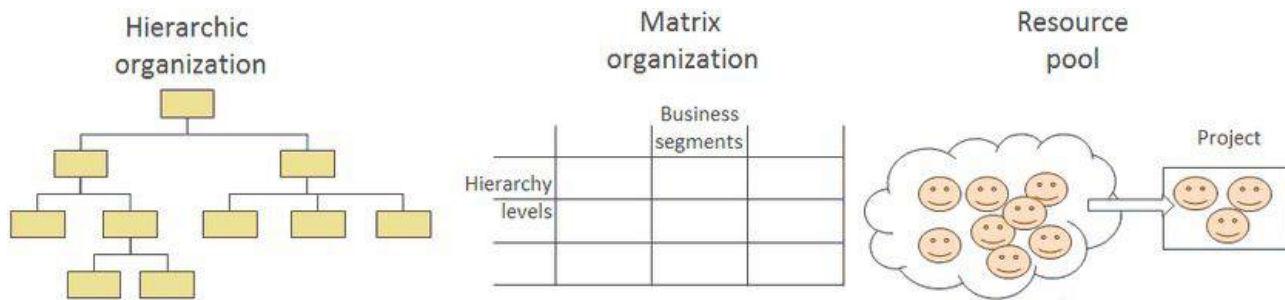
Double loop Learning:



Sensitivity training/ T-group training: Its objective is to change attitude, behaviour of people working in organization. Decentralization & participatory decision making are possible only when there is a true transfer of power. People at the top should be made sensitive to problems faced by people at middle & lower level so that they can empathize & come up with better solution. It is a laboratory programme designed to provide opportunities for individuals to learn the nature of group functioning. In India, the attitude of bureaucracy has been colonial in nature. Bureaucracy does not want to share or transfer power to actually empower people. One example is the obstructive attitude of bureaucrats towards panchayat system.

Matrix organization: He suggested a change in the classical formal organisation structure and thus advocated the Matrix organisation. Under this, the superior subordinate relationships are removed and substituted by self-disciplined individuals. Project teams are created to resolve specific issues and are designed around relevant information and expertise rather than power. They cut across segments of both vertical and horizontal dimensions

of the organisation.



Matrix Organization



Criticisms: Argyris was criticised by Peter Drucker, George Strauss and Herbert Simon.

Peter Drucker described Chris Argyris as a romantic who fancied idealistic situations and ignored ground level realities.

George Strauss criticised Argyris for his assumption of self-actualization. Empirically it has been shown that an average person gives importance to security needs rather than self-actualization needs.

Herbert Simon equated the concept of self-actualization with complete anarchy within organisation. Argyris was totally critical of authority in classical organisations. He believed that since every person is capable of self-actualization, he should be given complete freedom to perform the task. But in reality, if every person is given complete freedom, it becomes almost impossible to ensure coordination and enforcement of rules and becomes completely anarchical.

Lenis Likert

Industrial psychologist who conducted extensive research and experiments in various industrial organisations in US. Objective – to find out best style of leadership, he came up with solution in form of participative management. He believed that leaders can be made and not necessarily born.

Two types of managers/supervisors according to Likert

a) Those who give importance to production, efficiency and goals of organisation

- i. They are hard task masters
- ii. Hard punishment for mistakes
- iii. no freedom to followers or workers
- iv. dont believe in capability of subordinates
- v. close supervision

b) leaders who give importance to people

- i. less pressure on subordinates
- ii. have confidence in subordinates
- iii. general supervision
- iv. give freedom to subordinates
- v. encourage initiative by followers

The classical theories initially proved to be successful because workers were looking to satisfy only their basic needs but as soon as the workers want satisfaction of their higher order needs, classical theories proved to be inefficient. According to Likert, these organisations can again become efficient if the higher order needs are satisfied which is possible only with participative management.

Likert explained his concept of participative management with the help of four different styles of leadership arranged in a continuum as follows

a) MS 1 Exploitative – Authoritative

- i. negligible concern for people
- ii. absolutely centralised and authoritative
- iii. single minded pursuit of production
- iv. exploits the worker economically, socially and psychologically

b) MS 2 Benevolent – Authoritative

- i. authoritative but considerate
- ii. paternalistic
- iii. wants welfare of workers but gives them no freedom at all
- iv. takes care of economic satisfaction and welfare amenities

c) MS 3 Consultative leadership

- i. much more considerate for people's view points
- ii. allows them opportunities to give ideas, make suggestions and express their grievances
- iii. however subordinates are not given direct decisional role

d) MS 4 – Participative leadership

- i. Leader gives higher role to workers
- ii. direct decision making role to workers
- iii. decision making is actually joint

Likert argued that participative management style is the most conducive for optimal and sustainable organisational effectiveness. Peak performance is first of all rare to arise in system one, even if it arises it is short lived.

Some other ideas of Likert

1. Supportive relationships

Likert criticised classical theories because they considered work as an individual activity where every worker is only self interested. However in reality, work is a group activity. An organisation is not just physical system (hierarchy, rules, structure, discipline, authority etc) but social structure or system (humans, groups, motivation etc) Every worker not only works for himself but also helps his co workers. Likert called it supportive relationship

2. Interaction – influence system

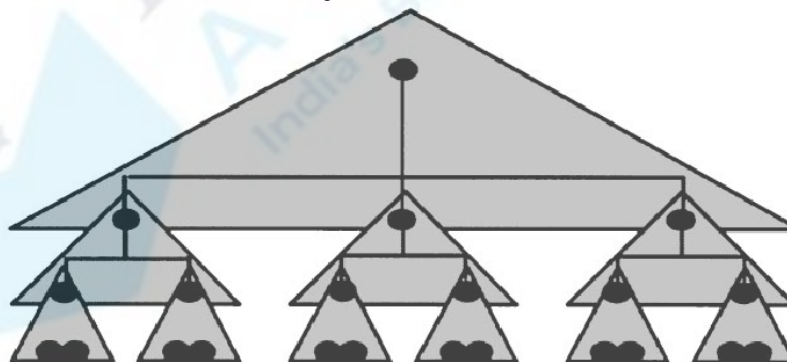
Every worker is intelligent, creative and responsible and therefore should be given an opportunity to influence decision making processes within the organisation irrespective of their position in hierarchy. In classical organisations, this system was not possible because there is only one way that is top down communication from superior to subordinate. In Likert's MS 4, every worker can freely express his opinions, ideas and suggestions.

This system can take place with the help of linking pin model

3. Linking pin model

It facilitates interaction-influence system. Every member of organisation is a member of two different groups

- a) member of his own group at same level
- b) member of the group of which he is immediate superior



4. Conflict resolution

According to Likert, conflicts are inevitable in any organisation. Organisation can become efficient only when it successfully resolves the conflicts. Influenced by MP Follett, Likert recommends integration as the best strategy.

Criticisms

1. His theory is descriptive in nature. He believed that MS 4 is the best, but how can the leaders follow it has not been explained.
2. His linking pin model was also criticised because it led to delays. Too much communication causes loss of time. Linking pin model is like moving in triangles.

Q. The participative management school of Argyris and Likert advocates democracy within the administrative system. Will this approach be equally useful to developing countries with evolving democracies? (2017)

Q. The successful management leaders are found in Likert's system – 4 approach to organisational leadership. Examine (2010)



Douglas McGregor

BACKGROUND

- Industrial psychologist
- Wrote a popular book – ‘The Human Side of Enterprise’
- Gave the concept of participative management in early 1960s.

According to him, the concept of cooperation is as old as human civilisation. Earliest human civilisations were based on a simple division of work and coordination. Thus, society was egalitarian.

With time, society got divided into classes:

- (a) Ruler and ruled
- (b) Masters and slaves
- (c) Feudal lords and serfs

This led to the concept of domination replacing coordination.

With time, democracy started replacing monarchy. It was also the time of industrial revolution. The classical theories became successful in the initial stages of industrial revolution because they reflected the conditions within society. People were poor, backward and illiterate. They were looking for satisfaction of their basic needs. They were ready to sacrifice their higher order needs for their security needs. The classical theories provided the solution.

With time, the conditions of workers improved with emergence of welfare state. Also, the next generation of workers had their basic needs already satisfied. They were looking to satisfy their higher order needs – self-esteem and self-actualisation. The classical approach made them inefficient because they were dissatisfied with the management.

Participative management provides solution to this problem. Participative management calls for providing opportunities for workers to participate in decision-making and management processes. It is possible only with participative management.

He highlighted the wrong & self-defeating assumptions about human beings which are inherent in classical theories. He rejected these assumptions namely theory-X assumption; and proposed his alternate set of replacement assumptions called Theory Y.

He believed that the concept of management is universal in nature. His attempt was to find answer to the question whether successful managers are born or can they be made, that is, whether management is an art or a science.

He believed that managerial cosmology in an organisation, that is, the approach of managers is determined on basis of assumptions made by managers regarding their workers. On basis of these assumptions, managers are of two categories – Theory-X and Theory-Y.

Theory X assumptions (man is assumed as static being with little potential)

- (a) An average Human Being is indolent i.e.; he dislikes work and shirks work.
- (b) Most people need to be closely controlled and need to be coerced into giving performance. Moreover, they are gullible i.e., can be easily ordered to obey because otherwise they are prone to mistakes.
- (c) Most people lack ambition and have no desire for shouldering responsibilities and therefore, they prefer to be directed.
- (d) An average human being is self-centred i.e., works for only individual goals and not for organisational goals. Moreover, he has only economic goals.
- (e) Most people lack the capacity to create i.e.; an average man is dull rather than bright. Therefore, he resists innovation and is happy with standard one best method which he needs to be told.

According to McGregor, these assumptions are:

- Work centred (rather than human resource centred)
- Represent authoritarian model (rather participative model of management)



- They have ‘scalar principle’ as the core principle (rather than integration principle as core principle)
- These are wrong and self-limiting assumptions (rather than correct and performance enhancing assumptions)

He famously observed:

“Till these assumptions continue to govern the managerial thinking and organisational function, we will not even discover, let alone utilise, the true potential of an average human being.”

Theory Y assumptions (Man assumed as dynamic positive being with great potential)

(a) Physical & mental effort at work is as natural as play or rest for an average human being. The message here is that onus is on organisation to give people work that is likable, interesting & satisfying because naturally they are not shirkers.

(b) Imagination, creativity and ingenuity are widely and not narrowly distributed. The meaning here is that creativity is not a hierarchical monopoly. People do want to create & can create. The onus is on organisation to create a participative management environment.

(c) Commitment to objectives of the organisation is a function of rewards associated with achievement. The message here is that the people are not self-centred. They can be committed to organisation provided they get suitably rewarded for their achievements quantitatively as well as qualitatively.

(d) An average human being not only accepts responsibly but also seeks responsibility. The message is that suitable conditions need to be created where given an opportunity; people can demonstrate that they not only deserve responsibility but can actually do justice to it.

(e) The masses exercise self-direction and self-control in the service of objectives to which they are committed. The message is that they need not be coerced, tightly supervised or controlled. They very well know what the organisation expects from them & can be self-directed, self-motivated & self-controlled provided; organisation also knows what they expect from organisation.

Thus, theory-Y is a set of positive beliefs about human beings as:

- perceived
- treated
- cultivated and,

Theory X and Theory Y (Doughlas McGregor)

Theory X

The assumption that employees dislike work, are lazy, dislike responsibility, and must be coerced to perform.



Theory Y

The assumption that employees like work, are creative, seek responsibility, and can exercise self-direction.



- used, as a valuable resource rather than as inert, useless and static instruments. Features of Participative Management (PM):
- PM calls for **decentralisation of power** – transfer of power from people at top to people at middle and bottom levels. For example, immediately before and during the 21 months of internal emergency, power was centralised in the PMO. On 25th June, 1975, emergency was declared only on oral advice of Prime Minister without any participation / consultation of other ministers.

- Job enlargement to job-enrichment of Herzberg.
- Participatory decision-making process involving people at all levels.
- **Open book management:** Douglas McGregor was critical of classical theories for treating people as static and machines rather than dynamic human beings. Organisation and managers shouldn't have any rigid and pre-conceived notions about workers. They should be rather flexible and dynamic in their approach. According to him, all control in organisation is selective adaptation. It means that managers must change his managerial approach according to the nature of workers and situation of organisation.
- Concept of participative management can be successful only when there is true decentralisation of powers from people at top to people at other lower levels. This is possible only when people at top are willing to transfer power but the problem is that in most situations, top managers aren't willing to decentralise or transfer power (because it leads to loss of power). This creates win-lose situation within the organisation, that is, people at lower levels winning at the cost of people at the top.

Here McGregor believes that role of leadership is crucial in changing this situation. The leaders have to exercise transactional influence and change the mindset of top-level managers. McGregor was influenced by M.

P. Follet and her concept of integration. Integration is a solution where both parties are in win-win situation. The leaders have to exercise transactional influence and convince the top leaders that decentralisation of power is actually a win-win solution because it leads to organisational success. The top managers must be willing to sacrifice their personal interest for the sake of organisation. They can do so only when there is a sense of togetherness and belongingness among members of organisation.

Criticisms:

- Lacks empirical validity, that is, there isn't any certainty that if an organisation adopts theory-Y approach, it can maximise efficiency or will be successful.
- McGregor didn't explain that how can the leaders exercise transactional influence.
- Theory-Y approach of management may not work in all situations and all organisations.

His contributions: McGregor is one of the most popular thinkers of public administration in 21st century. He was a visionary thinker in the sense that he gave his ideas when manufacturing sector was still dominating world GDP and classical approach was still popular. It was only after 1970s that service sector revolution took place where humans and not machines are the most important factor.

Process and Techniques of Decision Making

What is decision making?

According to George Terry, decision making is selection of one behaviour alternative from two or more possible alternatives.

In simple words, decision making is choosing best alternative among the given choices.

According to Herbert Simon, decision making has three steps

1. Intelligence
2. Design
3. Choice

According to Seckler Hudson, decision making is a plural activity. He argued that even if a decision is ultimately announced by one or it is credited to one person, it is plural activity because many people were involved in it behind the scenes.

Hudson gave 12 factors which influenced decision making – legal limitations, budget, facts, history, superiors, pressure groups etc;

Chester Barnard was the first organisational thinker to carry out a comprehensive analysis of decision making activity. He described decision making as the process of narrowing down the choices.

Barnard distinguished between personal and organisational decisions. This dichotomy can be removed if a commonality can be created between organisational and personal decisions. This will make organisations efficient and successful

Barnard described decision making as a fine art having four features –

1. Not deciding questions which are not pertinent/relevant
2. not deciding prematurely
3. not taking decisions whose acceptance or implementation is doubtful
4. not making decisions which others should make

Different types of decisions

1. Herbert Simon: Programmed vs Non programmed

Programmed decisions are routine decisions taken at lower levels, whereas non programmed are not routine but fundamental decisions which are taken by top level.

2. Peter Drucker: Generic Vs Unique (almost same as Simon)

3. Strategic Vs Tactical decisions

Strategic decisions are long term decisions taken by entrepreneurs. They are non programmed or unique or fundamental. Tactical decisions are short term decisions taken by managers at middle levels. They relate to implementation of decisions taken at top level.

4. Operational decisions

Taken by people at lower levels. They are day to day routine decisions.

Decision making Vs Policy making

Both policy making and decision making are similar exercises in the sense that both involve intelligence-design and choice.

Policy making however, is a much broader exercise and in this context George Terry observed “decision making is a search for solution to a particular problem, whereas policy establishes broad guidelines within which many decisions are taken.

Decision Making	Policy Making
1. Implementation of guidelines	establishing or making of guidelines
2. It is episodic	it is continuous

3. It is of single use	it is of standing use
4. It addresses a single purpose or Problems	it addresses multiple problems

Models of decision making

1. Simon's model of value free decision making based on logical positivism

Decisions = facts (rationality) + values (irrationality)

Three types of man

- a) Economic man
- b) Administrative man
- c) Social man

- i. Administrative man accepts satisfying decisions
- ii. Simon recommends value free decisions (positivist)

2. Lindbloom's incremental model

- (a) It is diametrically opposite to Simon's rational decision making model
- (b) Also known as science of muddling through or branching model
- (c) the main theme in this model is that every current decision is essentially continuation of existing decision with some additions or modifications only. This is so because a fresh decision or de novo decision is much more complex than incrementalism

3. Amitai Etzioni's Mixed scanning model

- a. it is a hybrid of rational decision making model of Simon and incrementalist decision making model.
- b. called mixed scanning because a decision maker scans/searches for rationality as well as incrementalism.
- c. According to Etzioni, de novo decision making is done for fundamental decisions so that innovations can be explored but in non-fundamental or routine decisions, incrementalism is followed.

4. Garbage can model: Cohen, March, Olsen

They visualise decision making as a situation of anarchy. Decision making is a garbage can where successively garbage is collected and removed and only hindsight tells which decisions were indeed garbage and which turned out to be good decisions. Thus this model argues that we often do not know which alternative will turn out to be the best. Only a post mortem tells us whether a decision was good or garbage

Q. Examine the respective roles of facts and values in the decision making process. Is it possible to make value-free decisions in govt system? How can govt decisions be made more rational? (2008)

- decisions are always a combination of facts and values. In some situations, the goal can be equality, while in other situations, the goal can be equity. Once a value is used for goal setting, facts are used to adopt suitable means.

In govt system, value free decisions are not always possible because of public opinion and practical politics. For ex – allowing kumbh mela during covid 19 in 2021 which contributed to the second wave.

Decisions can be made rational by setting clear objectives, formulating public opinion, long term interest and good political leadership.

Q. Consensus and Unanimity are used as styles in decision making. Comment (1998)

- Consensus means majority people agree whereas Unanimity is when almost all people agree. Consensus leads to greatest happiness of greatest number and fast decision making but minority may be ignored and the worst off can become further less well off.

Unanimity is not always possible especially when interests are mutually contradictory. It considers minority opinion but may lead to separation of majority interest by minority opinion. It can also lead to slow decision making.

There is a need to strike a balance between consensus based and unanimity-based decisions. Depending on nature of decision, urgency and level of expertise required, either one of the approaches can be used for decision making.

Modern industrial societies have broken the joint family system which was the psychological and emotional support for people. Morale means the mood of people at their workplace. High morale is generally linked with high efficiency and vice versa. Morale is about perception of employees regarding their management, working conditions and co-workers.

Essentially, morale is the willingness and the unhindered desire of a group to excel for organisation and to contribute towards organisational goals.

“Morale refers to the capacity of a group to pull together consistently & persistently in pursuit of common goals.” - Dr Leighton.

Morale is often described as collective motivation or the overall state of satisfaction of most employees in general. It is the overall attitude of a group towards their organisation, their superiors, their work environment etc.

The state of high morale is thus characterised by the following:

1. An unhindered willingness among employees to work towards organisational goals.
2. A favourable attitude towards the work assigned, the targets given & the specific contribution sought; overall, a desire to excel.
3. An atmosphere of mutual cooperation & team spirit so that employees develop cohesiveness and a bonding based on shared positive vibes.
4. The environment of job pride, self-respect and loyalty for the organisation.

Thus, a state of high morale is an important ingredient for creating a long-term bonding between an organisation and its employees. However, this bonding does not happen overnight, rather has to be earned over a period of time. To elaborate, morale as a collective sentiment can only be positive and high when the organisation has displayed the ability to satisfy most of the workers through careful and conscious motivational attempts over a reasonably long period of time. That is when the group develops the unhindered willingness and is raring to go through good times & the bad.

Motivation vs Morale:

Motivation	Morale
Individual in nature	Collective in nature
Can be short termed	Longer term
Related to rewards of work	About group relationships
Psychological in nature	Sociological in nature

Prima facie it seems that high morale & high productivity are linked directly & proportionately. This view was subscribed to by HR thinkers like Mayo & Roethlisberger. In this context, it is sometimes said that: *“Morale & productivity are like the East & the West sides of an elevator”*. The statement suggests that not only morale and productivity are directly related but one rising or falling necessarily means the other also following so. Moreover, that relationship is proportional, i.e., the rises or falls are precisely commensurate. However, the relationship between morale & productivity is not unidimensional. In fact, productivity has many dimensions in reality, out of which morale is one key dimension but not the sole determinant. The relationship between morale & productivity is often represented through a 4-quadrant depiction:

Quadrant 1: High Morale-High Productivity relationship

This is the most desirable quadrant where all organisations would like to be. Here, high morale is a major factor for yielding high productivity but, for a sustainable position in Q 1, High morale is supplemented by many other equally desirable features like:

- (a) efficient techno-economic subsystem having updated & apt technology.
- (b) optimal utilisation of all resources, including financial and human resources
- (c) effective structural and power subsystem having sound organisation, clarity, planning, coordination and control.
- (d) Internal elaboration which leads to holistic integration and synergy and also prepares the organisation better for environmental management.

Thus, this quadrant is a quadrant of all round strengths where high morale is a very important binding factor so that other strengths can yield optimal results.

Quadrant 2: Low Morale-High Productivity relationship

Generally speaking, low morale – high production is a rare combination. Further, even if some organisations do achieve it, it is short lived. This quadrant reflects some rare & peculiar situations where it may be possible to reap high productivity even in the absence of good morale. Example: situation like

1. if the organisation is a monopoly in its field
2. if the other subsystems of the organisation are so superlative that they more than offset the disadvantage caused by weak morale Example: the technology is absolutely superior or the power subsystem is so strong & authoritative that it can create obedience despite lack of satisfaction among employees.

However, such situations are not sustainable. It needs to be noted that the structural & technology inadequacies are easier to bridge & can be done even in short span; however, the inadequacies in morale can't be bridged overnight. Thus, good organisations will seek HM HP combination rather than LM HP combination because it is the people who personify an organisation better than anything else.

In this context, Henry Ford, founder of Ford automobiles famously said:

“Take away all my factories, all my money resources, all my money, just give me back my men and I will rebuild the empire.”

Quadrant 3: Low Morale-Low Productivity

This is the likely fallout of poor consideration of human resource because unsatisfied and demoralised workforce seriously:

1. inhibits productivity
2. resists change

Moreover, the single weakness in the human subsystem can often more than offset the other strengths of the organisation because:

“It is the people who conceptualise & operationalise technology and structure.”

Further, it gets worse when the organisation has other deficiencies as well, then it is a sure candidate for quadrant 3. In other words, Q3 organisation are characterised by all round weaknesses like:

1. Weak Human subsystem i.e., demoralised workforce
2. Inefficient techno economic subsystem like poor technology, etc.
3. Ineffective power subsystem characterised by lack of organisation clarity, poor coordination or integrative mechanism
4. Ineffective adaptive subsystem because of which the organisation lacks behind the environment and is always doing the catching up rather than being pro-active in its environmental adaptiveness.

Quadrant 4: High Morale-Low Productivity relationship

This is combination where advantages created by high morale are getting nullified by other disadvantages and as a result rather than consolidating or augmenting the benefits of high morale, organisations in this quadrant allow other demerits to more than offset the human merit or the human strength. This could be because of:

1. Faulty organisational design ex: ambiguity in organisational command, communication, coordination.
2. Poor technology like outdated, obsolete or inapt technology

3. Weak integrative subsystem because of which the organisation has a tendency to disintegrate. Further, poor environmental interface can aggravate such tendencies towards disintegration or entropy.
4. The resources are being badly used. Example: Organisation overstaffed or under staffed, over or under capitalised.

Q4 Clearly demonstrates that morale is necessary but not a sufficient condition for high productivity, as was proposed by human relations approach.

Thus, the foregoing discussion shows that morale & productivity are very closely interlinked and it can be said that they have a direct relationship, *ceteris paribus*. The moment we compare organisation across dynamic parameters where other factors may differ then, Q2 & Q4 possibilities emerge i.e., there may be situations where even an organisation with lower morale can have higher productivity & vice versa.

Thus morale & production are not visualisable as East West sides of an elevator, although more often than not there does seem to be a direct relationship. Moreover, even though they have a direct relationship, the proposition that they have a 'proportional' relationship is anyway not tenable because:

- (a) Morale is a subjective, infinite & psychological concept often not quantifiable whereas productivity is an objectively measurable & technical concept.
- (b) Even if morale rises say by X%, the other parameters as described in Q2 & Q4 may mean that productivity rises by less than or more than X%. Thus morale & productivity are not like the E & W side of an elevator.

WAYS TO IMPROVE MORALE IN AN ORGANISATION

1. Having worthwhile goals and tasks:
 - (a) Interesting
 - (b) Challenging
 - (c) Attainable
1. Sound organizational structure:
 - (a) Clarity
 - (b) Apt delegation & decentralisation
 - (c) Integrative or coordinating mechanism
 1. Effective communication:
 - (a) 2-way rather than top down
 - (b) Formal as well as informal
 - (c) Having the character of acceptability
 1. Sound personnel admin:
 - (a) Fair compensation packages
 - (b) Proper placement & training
 - (c) Effective career advancement plans
 1. A human resource approach to managing the organization:
 - (a) Humane treatment
 - (b) Environment of faith & trust
 - (c) Opportunities for participating management, Job enrichment
 - (d) Achievement and motivation

Motivation Theories

Motivation theories

Motivation is a generic term applying to desires, drives and needs which induce an individual to work.

This definition hints at unfulfilled desires of individuals which is induced to fulfill and if his organisation can offer him that, he can be motivated to do an organisational task.

Fred Luthans – Motivation is a process that starts with a physiological or psychological deficiency or unfulfilled need which activates a behaviour aimed at an incentive or goal.

Luthans's definition describes a psychological process of motivation of an individual who is energised by his unfulfilled needs and therefore reaches a state of readiness to contribute to organisational goals.

From an organisation's view point, motivation is a key process without which actions and behaviour of individuals may not get channelised towards the collective organisational goals. Successful leaders are able to create commonality of purpose by motivating the workforce. In motivated state, people show acceptance for the organisational goals and display a willing desire to excel towards the same.

Content vs Process theories

Content theories seek to find answer to the question – what motivates people? Ex- SMT of Taylor, HRT of Mayo, Maslow's theory and Herzberg's theory.

Those theories which seek to find the answer to the question – how people are motivated? are called process theories.

Ex – Adam's equity theory

1. Classical theory of motivation or Carrot and Stick approach

Although this theory lacks comprehensiveness and analysis, the carrot and stick approach or the economic theory of motivation was the first motivational approach used in organisations, as documented in organisational theories. It made use of economic rewards and economic sanctions as the positive and negative inducements respectively. The inherent assumption in this motivation theory was of rational economic man i.e every human being is rational enough to be driven economically so that he wants an economic reward and wants to avoid an economic sanction and thus motivation was a simple exercise and goal congruency was visualised as the automatic result of such money motivation.

However, this approach to human motivation came in for severe criticism by later thinkers as over simplistic, exploitative and based on wrong assumptions. It was argued by HR thinkers like Elton Mayo that non monetary rewards and sanctions have a greater role in motivating human beings at work because man is a complex socio-psychological entity. Similarly Chester Barnard argued for multiplicity of satisfaction or eight types of inducements because "purely on money motivation, only a fraction of human satisfaction can be achieved".

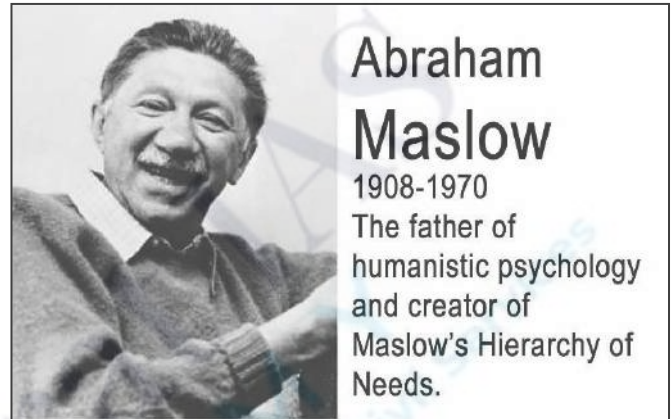
Taking these suggestions of plural and dynamic human needs forward, full fledged theories of motivation started being put forward around early 1950s. The first one being Maslow's need hierarchy theory.

Abraham Maslow's Need Hierarchy Theory (NHT)

Maslow was a US-based industrial psychologist who conducted experiments throughout The US to understand what really motivates people.

Maslow gave the first systematic & comprehensive theory of motivation in form of NHT wherein he argued that human needs are plural & dynamic; they arise in a sequence and therefore can be arranged in a hierarchy.

The early suggestions of the NHT were given by him in his 1943 article but a more comprehensive and analytical version was available in his famous 1954 book- '**Motivation and Personality**'.



The propositions of Maslow's NHT:

1. Human wants are unlimited.
2. They differ in importance or potency & therefore can be arranged in an order of importance called the needs hierarchy, ranging from the most potent, at present, at the bottom and the least potent at present at the top.
3. The potency keeps changing. A higher order need emerges upon a reasonable satisfaction of lower order needs.
4. Satisfied wants/needs are no longer motivators (once the lower-level need or needs are satisfied, a higher-level need becomes high strength and now, that creates the urge to satisfy it).
5. While the lower order needs i.e., 1, 2, 3 are more finite, the higher order needs are infinite (i.e., no matter how much esteem and actualisation a man has already achieved, he can still be motivated to achieve more).
6. In an average person, need areas are more often unconscious than conscious. In the

NHT, he talked about **2 core tendencies** of human beings namely,

1. a push for survival and,
2. a push for self-actualisation.

In fulfilling these 2 core tendencies, Maslow talks about a dynamic and sequential arrangement of 5 need categories.



Physiological Needs: These needs related to survival. Typically, the food, clothing and shelter. In an organisational situation, these represent needs like fair salary, economic compensation for various hardships, terms & conditions of employment and other similar economic inducements.

“If hunger is satisfied, it becomes unimportant in the current dynamics of the individual.” The individual, then, looks forward to satisfy next order of needs.

Security needs: These are the desires towards feeling secure rather than unsure. It can have many dimensions like economic security in terms of job permanence, future security in terms of measures like post- retirement securities and physical security in terms of safe, hygienic, healthy working conditions.

Social Needs: They represent natural human desire for association with a group, feeling of belongingness & acceptance by others, love & affection from people around him say, affectionate behaviour from co-workers & senior and, desire to have freedom to have interactions & freedom to form groups (this was the main point of emphasis by HR approach. They termed it as over-riding need).

Esteem Needs: They can be visualised as divided into 2 sub categories:

(a) Esteem from others i.e., praise, commendation, recognition, status symbols, etc which the organisation grants.

(b) Self-esteem refers to one’s own self-respect which comes with a sense of doing worthwhile job, a sense of personal dignity, a reasonable amount of freedom, power & autonomy at workplace, sense of achievement and ego satisfaction.

Self-Actualisation needs: It is a psychological concept first talked about by a psychologist Kurt Goldstein. It refers to a desire among human beings to actualise i.e., achieve their fullest potential i.e., a desire to excel to the optimal level in a field which, that individual thinks, was his field of potential. In organisational situations, it translates as challenges, opportunities for autonomy, innovation & creation, leadership opportunities and a sense of power or aura which comes with achievements.

“A musician must make music, an artist must paint, a poet must write, if he is to be ultimately at peace with himself.”

– Abraham Maslow

Critical Analysis: Although Maslow’s NHT gained huge popularity and large-scale acceptance yet, doubts have been raised regarding some inherent assumptions and some of the propositions as discussed below:

Doubt regarding the needs’ categorisation: Critics like Wabha and Birdwell argued that rather than a 5-fold classification, human needs are much better expressed as “cluster of two primary needs” i.e., the first cluster is the need to avoid deficiency & second cluster is need for growth i.e., physiological & psychological cluster (Wabha & Birdwell’s viewpoints is supportive of Herzberg’s 2-factor approach)

Doubts about the priority order or the need sequence: Lawler and Suttle have argued that “Human needs do not conform to any fixed hierarchy or pattern.” Through their 1972 study, they demonstrated that Maslow’s need hierarchy had no empirical substantiation.

Similar conclusion was drawn by **Hall and Nougaim** who concluded that “Higher needs arise not because of lower needs satisfaction but because of status caused by promotion.”

According to **Porter**, needs do not follow a hierarchy especially after lower-level needs are satisfied.

Doubts about the “1 need-1 motivator” link

Typically, the 1 need- 1 motivator idea is inherent in Maslow’s theory which is not necessarily realistic.

Human behaviour at a time is a reflection of more than one motive. Human actions are outcomes of several unfulfilled needs and motives.

One motivator can address many needs and conversely many levels may be active simultaneously.

Typically, money is now recognised as a ‘universal prime motivator’ which is capable of addressing more than the physiological needs and can virtually address all 5 levels in the organisation. In this context, **Bass and Barrett** have observed that Maslow’s theory is “**interesting but untrue**”.

The proposition that satisfied wants are no longer motivators has been challenged.

Clayton Alderfer argued “Wants never die in totality”.

Similarly, **Frederick Herzberg** argued “Wants require frequent replenishments”

Maslow’s theory does not offer practical benefits

This criticism is by Michael Nash who argued that this theory is theoretical and offers no practical guidelines to real life managers.

In fact, he termed both Maslow's and Herzberg's theories as "Major Wrong Theories"

Doubts about the term 'self-actualisation'

The term self-actualization was called too general, vague and imprecise (**Cofer and Appley**). His example of self-actualized persons is not correct. Maslow gave examples of White American males as self-actualized people – highly biased and ethno-centric.

Lack of sophistication: Maslow's theory lacks sophistication and validity of research data was questioned. Maslow did not provide any research back-up to his need hierarchy.

Defence of Maslow: Maslow never projected an absolutely universal or rigid needs hierarchy. He only gave a representative needs hierarchy, while realising the possibility that exceptional need prioritisation or need sequencing is possible.

1. Maslow never argued for a finite stage of 'full satisfaction' of a need level. His proposition is based on 'reasonable satisfaction' which itself is a subjective and individual specific assessment. Thus, when a man moves on to higher level and whether he considers an earlier level need to have died out or still active, is his subjective assessment.
2. On Nash's criticism that it does not offer practical guidelines, it is a baseless criticism because Maslow's theory is highly regarded by virtually all thinkers for 3 eternal contributions of practical utility:
 - (a) Plurality and dynamism of needs
 - (b) Perennialism of motivation
 - (c) Role of subject's perception in his motivation.

Herzberg's Two factor theory

Herzberg was interested in presenting a simplified and practically more relevant version of Maslow's motivation model. The broad theme of his theory is that it is only the higher order needs which are true motivators. All else is incidental. Herzberg proposed the two factor theory in his 1959 book – "The motivation to work".

He interviewed 200 engineers and accountants (because of profession's growing importance) using critical incident method i.e through a questionnaire where they were asked to identify the critical or crucial incidents which strongly satisfied them or strongly dissatisfied them. The conclusions of this research reveal following propositions of the two factor theory –

1. There are two basic sets of human needs
2. First set of needs is 'to avoid pain'
3. The need to grow psychologically
4. Man typically displays two characters –
 - a) Adam character – it is animal like character which seeks pain avoidance
 - b) Abraham character – it is the human persona which seeks psychological growth and development

The pain needs are termed by Herzberg as hygiene needs or maintenance needs. The need for growth is termed by him as growth needs or development needs.

His argument is that hygiene factors are 'dissatisfiers' because according to Herzberg, "their absence causes a lasting increase in dissatisfaction, but their presence does not cause a lasting increase in satisfaction"

Conversely, the growth factors are called 'satisfiers' because their presence causes a lasting increase in satisfaction but their absence does not cause lasting dissatisfaction.

Thus he argued that satisfaction and dissatisfaction are not the two ends of the same continuum, rather they are two different continuums and movement along each can take place independently of the other.

Absence of job satisfaction doesnot mean job dissatisfaction and absence of job dissatisfaction does not mean job satisfaction. There is a neutral state inbetween.

After explaining the significanceof motivation and hygiene factors, Herzberg divides the people working in organisations into two groups and calls them 'hygiene seekers' and 'motivation seekers'. He further argued that the class of motivators which fulfill these two sets of needs are different. Maintenance needs are addressed through job context, whereas growth needs are addressed through job content. Job context is described as factors extrinsic to the job i.e factors lying in the periphery or environment of the job like salary, terms and conditions of employment, social setup at workplace (level 1,2 and 3 of Maslow's NHT)

Job content on the other hand consists of factors which are intrinsic to the job i.e they lie in the job itself –

1. likeability of the job
2. Worthwhileness of the tasks
3. challenges involved
4. Levels of responsibilities involved
5. Oppurtunities for freedom, autonomy while performing the job

According to Herzberg, job content is the true motivator, and job context is peripheral or incidental. The true additional satisfaction can come only through job content or enriching the job for which he gave the term 'job enrichment'. Therefore this theory is also called enrichment motivation theory.

Herzberg argued that an organisation can frame better human resource management policies because now organisations can understand a curious phenomena "Why a man will love his job and yet quit and why a man may hate his job and yet stay". Thus Herzberg argued that organisation can seek to findout who among its employees are Adams or context seekers and who are Abrahams or content seekers and accordingly suitable motivational strategies can be created. However, long term interests of organisation will be served better if eventually the true motivator i.e job content and its enrichment are emphasised more and more.

Job enrichment – According to Herzberg, it refers to enrichment of intrinsic factors (oppurtunity for achievement, challenge, responsibility, recognition, autonomy and decision making freedom)

These opportunities make a job likeable and motivating. Herzberg used an alternative term, vertical job loading to describe how job enrichment increases the depth of these five parameters rather than the spread of the job. In this context, he distinguished job enlargement from job enrichment by arguing that job enlargement is horizontal job loading and only increases the spread of duties rather than enhancing the opportunities along these five parameters.

Maslow vs Herzberg

Similarities

1. Both are content theories of motivation i.e they describe motivation in terms of needs.
2. Both emphasize on plurality of needs
3. Both emphasize on the role of subject's perception i.e the person whose motivation is being sought, he will decide what he needs to motivate him.

Differences

1. In Maslow's theory any unsatisfied need is a motivator whereas in Herzberg's theory, only job content is a motivator which is represented by higher order needs of Maslow.
2. Maslow's theory has more wide spread applicability across all classes of employees and across organisations in all environments whereas Herzberg's theory has relatively limited applicability because it is applicable to a) higher level employees mainly executives or white collared employees b) to organisations in relatively developed ecologies where most of the employees have their subsistence needs anyway taken for granted. Therefore only higher order needs are real motivators
3. Maslow's theory is descriptive whereas Herzberg's theory is prescriptive. Herzberg recommends job content based motivation, whereas Maslow did not recommend anything. He only describes various possibilities.

Criticism

1. Distinction between dissatisfier and satisfier is artificial and impractical because what is dissatisfier is artificial and impractical. For ex – salary is satisfier for lower level employees whereas it is dissatisfier for higher level employees
2. House and Wigdor tested the applicability of Herzberg's theory and found many faults like
 - (a) it is method bound i.e the methodology used was questionable. It was argued that by seeking only critical event responses, the overall satisfaction and dissatisfaction was not captured. Moreover, the sample size was too small and unrepresentative. Similar objections on faulty methodology were raised by other critics like Michael Nash, Donald Schwab and Scott Myers.
 - (b) Rater's bias – the interviewees while rating the factors as satisfiers or dissatisfiers may be biased. For ex – they did not want to look greedy so they ranked salary low
 - (c) Situation ignored i.e an individual's motivation is detached from his situation for ex- social situation
 - (d) The link between satisfaction and productivity was ignored . Herzberg presumed a link between motivation and productivity which is not necessarily the case.
3. Role of money – Herzberg was not clear whether money was a hygiene factor or motivator. Even for people at higher levels, money becomes a motivator under some circumstances.
4. Gave more importance to problems of top level management and in this process he ignored the people at lower levels.

Defence of Herzberg

In spite of the criticism of his two factor theory, it is unquestionable that Herzberg's contribution to work motivation is substantial.

1. He focused attention on the importance of job content in motivation, which was a neglected factor earlier.
2. Herzberg's theory is largely responsible for the practise of allowing employees greater responsibility for planning and controlling their work as a means of increasing motivation and satisfaction.
3. Herzber's concepts are relevant even today although values like responsibility (Corporate Social Responsibility), fairness, justice and compassion in business are global. The significance of his theory can be understood from the fact that by 1968, according to Herzberg, the two-factor theory was replicated 16 times in a variety of situations and substantiated by many studies

Q. "Abraham Maslow's Hierarchy of Needs and Frederick Herzberg's Two Factor theory have commonalities

in the analysis of human motivation. Comment. (2007)

Q. Compare Abraham Maslow's theory of motivation and Herzberg's motivation – hygiene theory. Do you think that they are universally applicable? If so, why? If not, why not? (2002)



Concept of development/indicators of development

Def by John Montgomery – “Development is usually conceived as a change which is desirable, planned and administered by govt”. Thus this def highlights the crucial role of govt in directing or influencing development.

“Development takes place when an index of that which is deemed desirable by the society increases in magnitude” – Joseph Spengler. This definition points at dynamic aspects of development from time to time or from ecology to ecology. Every society adopts its own definition of development. Initially development was given a relatively narrow meaning and the synonym of development was modernisation or nation building.

Rostow’s famous theory of development talked about five stages of economic growth which were universal and linear. Thus a country would need economic engineering, national savings and investment.

Ofcourse, this was a west sponsored interpretation which equated development with modernisation of purely economic nature. However by late 1960s and early 1970s, limitations in this line of thinking were exposed. It is because such a def of development led to

- a) increased poverty
- b) increased indebtedness
- c) increasing inequalities
- d) rich nations becoming richer
- e) rich people becoming richer

As a result, a fresh thinking was launched in search of authentic development rather than pseudo development. Indeed, the administration concerned with development activities is called Development Administration.

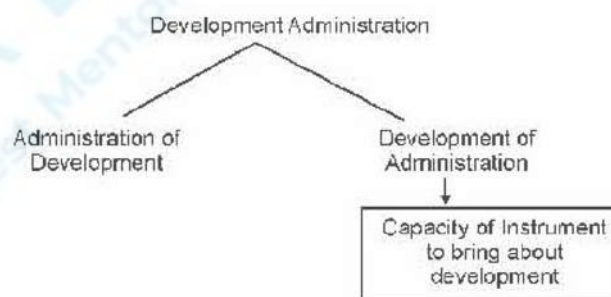
Major thinkers of Development Administration

1. F.W.Riggs

Riggs defined development as increasing autonomy and discretion of social system which is possible by increasing the level of diffracton. Diffracton is the degree of differentiation and integration of a social system. He defined it as a process of transforming a society from fused to prismatic to diffracted.

Riggs made a difference between development administration and administrative development. Development administration may be defined as the sum of all activities related to formulating strategies, plans, creating structures, recruiting and training people etc; to bring about development.

Administrative development is defined as the process of enhancing the capacity of administrator with the help of training. Administrative development is necessary to realise objectives of development administration.



2. Edward Weidner

- a) He defined development administration as action oriented, change oriented and goal oriented.
- b) Emphasized on planned economic change to bring rapid economic growth.
- c) Defined development as economic growth i.e GDP and Per Capita Income
- d) According to him, DA is centered around societal change in a desired direction by bureaucracy through proper planning
- e) He gave central role to bureaucracy to achieve objectives of DA. According to him, bureaucracy should formulate and implement policies
- f) He also believed in top down approach to development i.e policies to be drafted at top level and implemented at lower levels.

Criticisms

Riggs

- a) Riggs's theory is descriptive in nature, he has not provided any solution.
- b) Defined development as unidirectional movement of a society from fused to prismatic to diffracted.
- c) He did not explain as to how this transformation can take place. Also his theory is static in nature.
- d) He did not include dynamic change variables in his model.
- e)

Edward Weidner

- a) His concept of development is incomplete. Development is more than just economic growth. Economic growth is necessary but not sufficient to ensure over all development
- b) He emphasized on bureaucracy centered development. In reality, development can be successful only when centered around people and not bureaucracy.
- c) Weidner believed in centralized top down approach to development but empirical studies have shown that in long term, development can be sustained when it is decentralized and participative in nature.

However it cannot be denied that Weidner called for maximizing innovation for development. This forced bureaucracy to start thinking about innovative solutions rather than blind rule adherence. For long time, bureaucracy focused only on means – govt structure, rules, budgeting, hierarchy etc; According to him, traditional pub ad was always means oriented, whereas the true goal of social transformation was under emphasized.

Traditional PA	DA
Regulatory in nature	Innovative and problem solving
Goal was E3 – efficiency, economy, effectiveness	Goal : socio-economic transformation
Closed systems approach (non-ecological)	Open system (ecological)
Rule oriented	Goal oriented
Value neutrality	Value committed
Hierarchy and centralised	Democratic and decentralised
Secrecy	Transparency
Politics-administration dichotomy	Close coordination between political executive and bureaucracy
Reactive in nature	Pro-active in nature
No time-bound service delivery	Time-bound
People considered as subjects to be governed	People considered as citizens to be empowered
Morally responsible to people	Legal accountability

Top-down in nature

Bottom-up in nature

Models/approaches to DA

From time to time, development has been seen differently and therefore, it is only natural that development administration shall also have different models.

Modernisation OR Diffusionist model

1950s-70s

- Development equated with economic growth and modernisation.
- Aka nation-building.
- Investment led growth (in large-scale industries).
- Investment in public sector enterprises.
- This approach was based on views of economists like Adam Smith, J. S. Mill and Rostow.
- This approach is related to an idea known as diffusionist approach because the suggestion is that the technology, capital and norms have to be diffused from developed to developing countries. Given by Everette Rogers and R. S. Edari. Therefore, minuses (-) of developing countries can be overcome by pluses (+) of developed countries.
- Modernisation approach was based on assumption of trickle down effect, that is, benefits of growth and development would trickle down to lowest levels of society without any active state intervention. State should focus only on increasing GDP.
- Bureaucracy centred development, that is, bureaucracy given responsibility of managing PSEs.
- Centralised planning process.
- Planning commission

1950-60s

- This period is aka golden age of development because of high expectations of people.

Basic needs model

1970s-mid 80s

- As a result of modernisation and diffusionist approach, there were certain negative results like rich becoming richer and poor becoming poorer. As a result, basic needs approach (BNA) arose as the next model of DA.
- Main scholars are Robert Mc Namara of World Bank and Mahbub-Ul-Huq, a welfare economist.
- Human capital is as important as financial capital.
- Focus on welfare for masses rather than growth for classes.
- The objectives of development were identified as reduction and removal of poverty, inequality, hunger, squalor, disease, illiteracy, unemployment and malnutrition. Thus, the scenario of increasing the production was to be seen along with the problem of distributing the justice more evenly.

- An aspect of BNA which gained prominence in early 1980s was NGO model in DA, wherein, it was argued that if development has to penetrate and enable basic needs for all, governmental efforts aren't sufficient and voluntary effort must be included. Under this approach, NGOs got tremendous boost.
- Decentralisation and devolution: decentralisation means delegation of authority to locals to formulate and implement projects etc. Devolution means creation of autonomous administrative institutions and agencies at various levels having freedom to plan and implement development projects and programs.
- Strengthening of Local self-government bodies.
- People's participation.
- Development of communication and integration channels.
- Removal of negative socio-political structures like class system etc.
- As a response to the limitation of modernisation approach, one offshoot was the Anti-development thesis.

Entitlement model

1980s

- This model is in continuity of Basic Needs model. It argues that poor countries are poor not because they have lack of resources but because people don't have entitlements. They don't have right to service delivery.
- Main scholars: Robert Chambers and Amartya Sen.
- Robert Chambers wrote a popular book in 1983 - 'Rural Development: Putting The Last First', where he argued for concept of 'reversals', that is, a reversal in attention of government so that the poorest is the first priority of government. According to Chambers, poverty is perpetuated not because the country is poor but because entitlement is poor. Very often, poverty isn't perceived correctly because the planners are trapped in urban centres.
- Similarly, Sen argued for:
 - a. Inclusive growth
 - b. People's participation
 - c. Knowledge sharing
 - d. Empowerment of masses

Reinventing model

1990s

- The reinventing paradigm got popularity in 1992 when Osborne and Gaebler (NPM people) wrote their very popular book on this subject. This model argued for reinventing, that is, redefining the role and functioning of government.
- It argued for a catalyst, competitive, preventive, decentralised, customer & result oriented government. This model created thrust for administrative reforms and is, therefore, considered as development administration model.
- An enabling administration: administered development would co-exist with private sector entrepreneurs and NGOs with the PA providing an enabling environment, necessary infrastructure and financial regulation.

- Management culture to provide for a more professional, goal oriented and customer oriented approach to improve overall administrative efficiency.
- This model argued for capacity building of administration.

Trust building model

Since 2000, the UN has been focusing on building people's trust in government as the most important theme for development oriented administration. No matter what a government does or achieves, if people don't trust the government, **authentic development** is difficult to achieve or sustain. The UN has expressed its concerns that lack of trust in governments is a worldwide concern today, more so in developing countries. This model suggests the following:

- a. Legitimacy for the government, mainly through free, fair and regular elections.
- b. Prioritise service delivery.
- c. Transparency and accountability to combat corruption.
- d. Bringing people close to administration: decentralised government (PRI – Panchayati Raj Institutions)



Anti-Development Or Post-Development Theories / Thesis

Colonial Independence

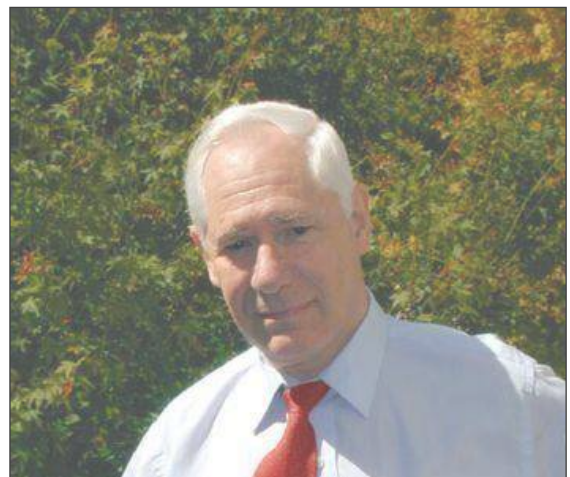
- By the 1960s most colonies had achieved their independence,
- However, European nations continued to see developing countries as sources of cheap raw materials and labour and,
- According to Dependency Theory, the European powers had no interest in developing them because they continued to benefit from their poverty:
- Third world poverty = cheap labour and raw materials.

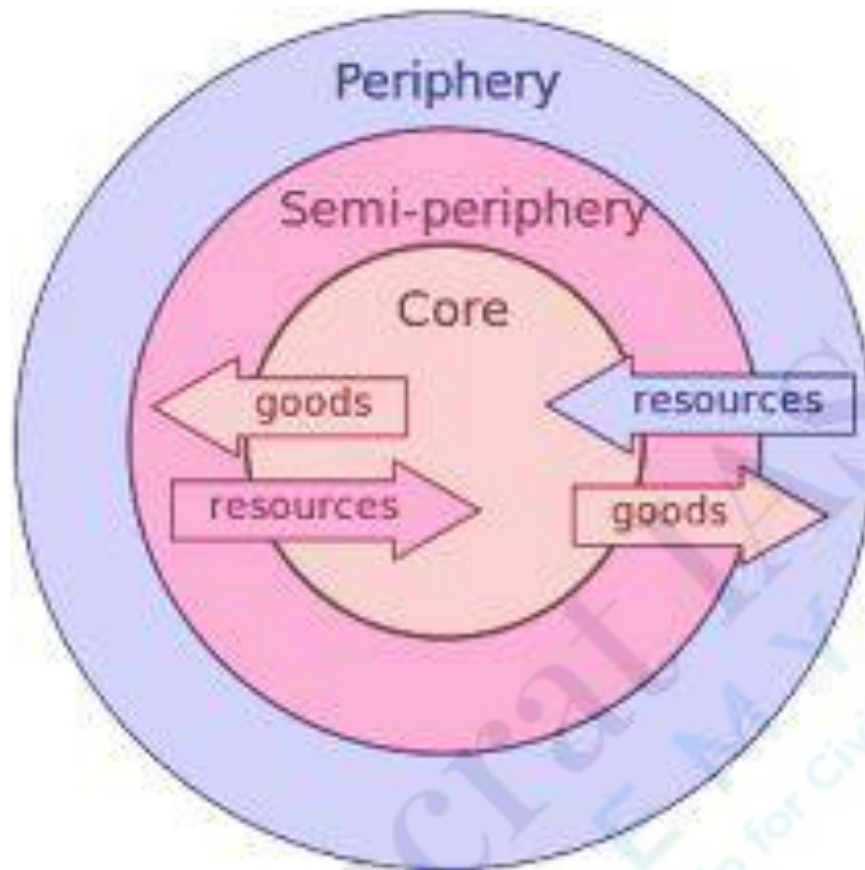


The anti-development perspective started surfacing in the late 60s when Andre G. Frank in 1969 propounded the under-development theory. In this theory, he argued:-

“Development & under development are 2 sides of the same coin and one of them leads to the other “.

To elaborate, he argued that in the world, the metropolis have developed and they have developed at the cost of satellite i.e. the developed countries have been able to develop by extracting surplus from the peripheral nations i.e. exploiting their resources and as a result, these peripheral nations remain marginalized.





He argued that it is almost a new form of colonization, when the self-styled western experts offer development assistance because the objective is to keep these peripheral nations as under development & dependent. The so-called development corrections as suggested by western nations to the under-developed nations only suit western interests and aim at subjugation of these developing countries.

Later, in 1982, A.G. Frank expanded his dependency theory and argued for an anti- development strategy as the development strategy and this strategy involved a complete delinking from the world economy.

However, later this idea of a complete delinking from the world economic order was considered unviable and radical and more liberal approaches to anti- development also emerged.

The anti- development or post – development thesis gained serious momentum in 80s – 90s and during this period 2 different but interrelated approaches to anti- development thought have emerged. They are generally categorized as the I wave of post development theories and II wave of post-development theories. I wave is specifically called anti- development & II wave is called liberally authentic anti- development theory.

The I wave of anti-development theories or anti-development thesis: The I wave which emerged in late 60s with AG Frank and strengthened during the 80s was a radical rejection of development all together. It questioned the very concept of development and its utility for the under developed nations because development was visualized as ethnocentric, rigid and reductionist i.e.

1. It had a western bias
2. It was an externally imposed and coerced strategy with very little role to home govts and their people.
3. It reduced the dynamic and multifaceted issue of development into over simplistic issue of mere economic growth, through capital & technology.

The theme of the argument of the anti-development thesis was that development is just a grand narrative. It makes tall promises but actually has a hidden agenda namely continuing and perpetuating the superiority of developed nations & dependency of the III world. Anti- development thesis searched for 'alternatives to development' rather than 'alternative for development'.

The anti-development theory suggested that the development process undermines and destroys the: -

- (a) Social diversity
- (b) Cultural diversity
- (c) economic diversity
- (d) political diversity,

in the nations if they start following the homogenous ethnocentric development model.

Prominent Thinkers of ADTAG

Frank (already covered) Arturo

Escobar

He is one of the most significant ADT proponents who wrote the book “encountering development” 1995 and series of articles which described ill-effects of development on the III world nations.

The main theme of his theory is that the under-developed & developing nations need to take a complete break from the idea of development because it is a Euro-centric discourse and rather they should search for indigenous discourses.

He further argued: “what we need is a model which respects the differences rather than suggestions from some qualified experts who suggest development strategies to everyone”.

Escobar gave a listing of 4 main priorities or themes of I wave of ADT:

- (a) The interest of this thesis is not in development alternatives but in alternatives to development.
- (b) The interest is in local & indigenous knowledge
- (c) Its criticizes imposed values from west.

Its interest is in defending & protecting local, plural & grass root technologies rather than exogenic, homogenous and (a) ethnocentric technologies.

Wolfgang Sachs

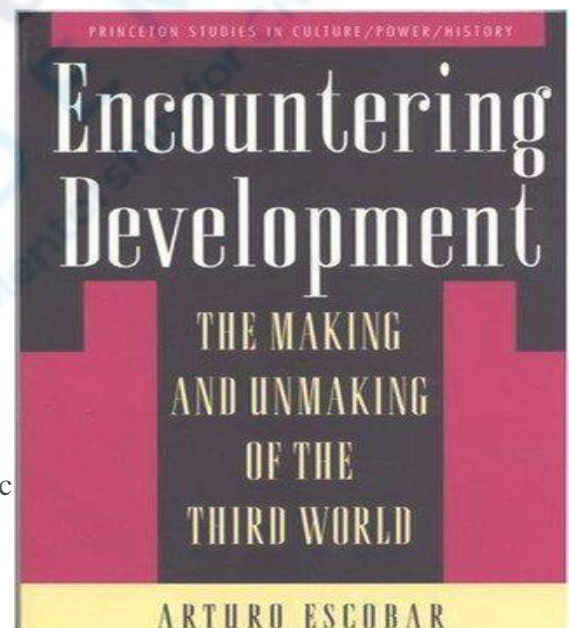
- (d) Sachs wrote a popular Anti-Development book in 1992: **The development dictionary: A guide to knowledge as power**

In this book he argued,

“We should not be afraid of development failure rather of its success”.

He also observed that:

“Development is designed to serve the entrenched interests and to reinforce the western dominance and he termed development as a form of arrogant interventionism.”



Sachs also observed:-

“Poverty increases precisely in the shadow of wealth and unemployment has proved to be resistant to growth and food situation could not be helped through steel factories”.

Thus, suggesting that social progress is not a necessary offshoot of economic growth & any such view is pure fiction.

Criticism of ADT

1. A complete rejection of development is naïve because it ignores the numerous positives that development can create and has created. The radical thought of ADT ignores that development has brought along so many advances in various fields like medicine, IT, Industries, education, potable, water, electricity etc that to reject development per se is foolish. Thus, it is a reality that despite the reductionist and rigid models, development has made a significant difference to the standard of living and the quality of life of ordinary people, virtually everywhere on the planet.

In other words, ADT focuses only on the dark side of the development and fails to take into account that development can be empowering.

1. ADT points out only the problems and has no clear alternative solution. Critics of ADT argue that ADT is a cynical approach. It finds faults with development strategy but has no alternative mechanism to suggest replacement. In this context, Ray Kiely noted:- “ ADT tends to promote ethno-chauvinism as a remedy to ethno-centricism. However, the fact remains that going back to pre-development days in the name of local traditions would be like the last refuge of the noble savage” meaning thereby that to reject development as a rhetoric is one thing but the so called alternative namely, going back to pre- development era is inadequate and would be disastrous.

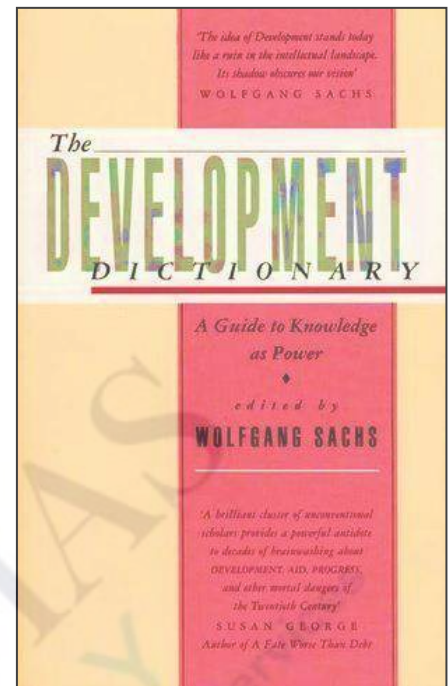
In this context, it has also been argued that ADT tends to be vague and it unnecessarily romanticizes local culture. While keeping local culture & requirements in mind is good, that alone cannot be sufficient for development. The critics of ADT present empirical examples to support this point in form of Pol-pot regime in Cambodia and Taliban regime in Afghanistan.

Thus, ultimately more liberal and less radical formulations of post development approach started emerging and during the II wave of post development theories, a flexible merging of development & anti-development ideas is attempted.

The II wave post development theory: It has the following features/ arguments:-

1. It seeks to analyze why developmental interventions sometimes do not live up to expectations i.e. whether the model was wrong, whether the context was not appreciated, whether it was imposed from above etc.
2. It seeks to interrogate what works and what does not in a particular setting. Thus, the focus shifts to indigenous resources, local requirements & apt indigenous technology which can be thoughtfully intermixed with learnings from other’s experience.
3. It acknowledges & respects the differences. In fact, argues that tremendous diversity exists not just between west & non-west but within non-west. Thus, even within III world, there can be diversity across nations, across regions and across sub-regions.

Thus, the main theme of II wave of PDT is to turn inwards rather than looking outwards for help & development solutions. As a result, possibilities of development are not rejected while at the same time



attempts are made to make it local specific. Thus, instead of the radical 'no development' approach, this adopts authentic development approach or no exploitation approach.



Leadership Theories

Keith Davis “Leadership refers to the ability to persuade others to seek defined goals enthusiastically. It is that human factor which binds the group together and motivates people towards the established goals.”

Thus, leadership is the process of persuading and binding people working with/ under you so that organizational goals can be pursued collectively and enthusiastically.

Tannen Baum & Schmidt “Leadership is an interpersonal influence exercised in a situation, directed through communication towards the achievement of common goals.”



Theories / Approaches to Leadership

1. Charisma theory or charismatic leadership or great man theory
2. Trait theory or theory of leadership excellence
3. Behaviour theory or theory of leadership styles
4. Situational theory or contingency theory of leadership
5. Transformational leadership

1. Charisma theory or charismatic leadership or great man theory

This is the oldest approach to leadership which considered leadership as an individualistic art. It was believed that this individualistic art is a reflection of the leaders' charisma or charismatic power i.e. his ability to earn support and followership based on his gift of grace of personality.

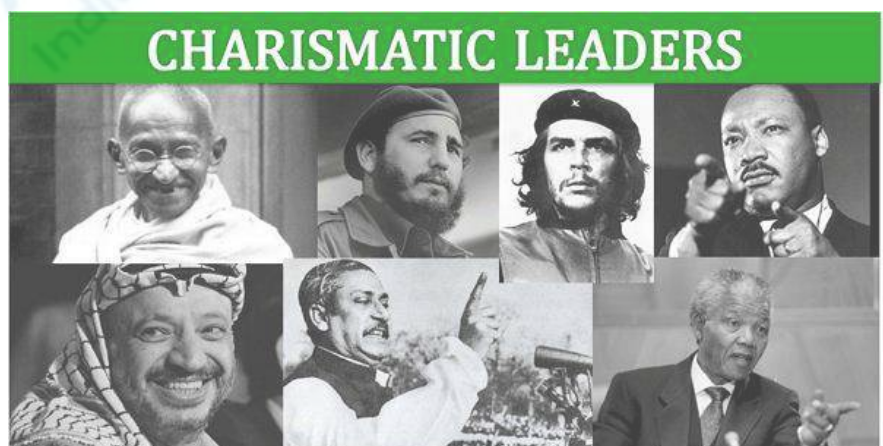
Charismatic leadership has also been termed as **magnetism** because these charismatic leaders have the God's gift of attracting mass followership.

The propositions of the leadership are:

1. Leaders are born & not made
2. Leadership effectiveness is a function of some innate qualities i.e. inborn, congenital or God gifted qualities like grace, charisma, magnetism, vision, will power etc.

The main limitation of this theory was that it ignored key variables like:

1. Possibility of acquired traits, i.e., “making” the leaders”.



2. The leader-follower equation and the follower's acceptance based on leader's behavior
3. Situational complexities and leader's response thereto. Moreover, charismatic leaders could be few & far in between. Large number of organizations can not only depend on born leaders.

2. Trait theory of Leadership



It has following propositions:

- Leaders require a set of traits or qualities in order to be successful.
- Leaders can be made i.e. those desirable qualities can even be taught and cultivated (through education, training & experience etc.)

Thus, traits are not necessarily inborn qualities and thus leaders are not necessarily born. They can even be made by inculcating traits like:

1. Technical skills, strategy & perspective planning
2. Traits
3. Communication abilities
4. Listening skills
5. Negotiating abilities etc.

The main proponents of traits school of theory

George terry

Chester Barnard

J.D. Millet

Paul Appleby

Warren Bennis etc.

In fact, Chester Barnard defined leadership as “leadership refers to the quality of behavior of some individuals whereby they are able to guide others in their activities towards organization goals.”

Further as part of his theory of functions of executives, he talked about 3 main traits / qualities of executives:

- (a) Ability to maintain communication
- (b) Ability to create commonality
- (c) Ability to obtain willing contribution

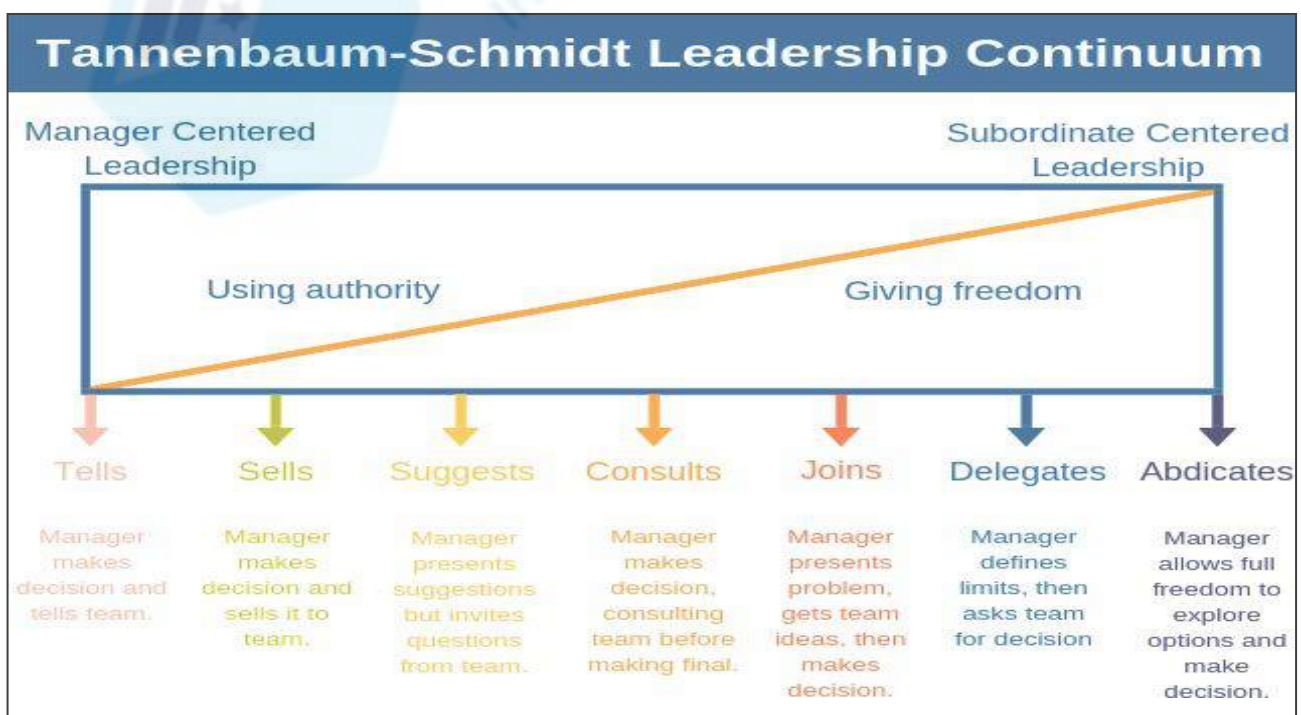
Thus, trait theory argues that the set of traits can distinguish effective leaders from ineffective leaders and can convert ineffective leaders into effective leaders.

The main **limitations** of trait theory were:

- Ignored followers' acceptance – which is a function of leader's behavior & not leader's trait.
- Ignores situation because even with the best collection of traits, a leader who does not adapt to a new situation will turn out to be ineffective.
- Traits are ambiguous in the sense that:
 - (a) There is no single acceptable exhaustive list
 - (b) There is no clear ordered preference as to which trait to create first as top priority, which next and so on
 - (c) There can be leaders without traits and vice versa, people with traits who do not become leaders

2. Behavioural theory of Leadership

- Behavioral theory is based on assumption that leaders are not born, they can be made. Behavioral thinkers came up with universal theories of leadership because they believed that a certain leadership behavior would always help organizations to maximize efficiency.
- Coinciding with the behavior application to organization, behavior theory of leadership argues that “ it is not so much about traits as it is about your behavior” i.e. successful leaders become successful not purely on the strength of their traits but on the strength of their acceptance by followers which is a function of their behavior towards them called ‘leadership style.’
- The propositions are as under:
 - (a) The influence of a leader on follower is a function of his behavioral patterns i.e. his leadership style.
 - (b) The leadership style which finds **approval & acceptance** is what makes a leader effective and capable of earning support and loyalty.
 - (c) Leadership style is a combination of varying degrees of (i) the superiors/leader's authority & control (ii) the freedom and autonomy allowed to the subordinates.
- Thus, varying leadership styles are possible with varying combinations of control & freedom and each combination interacts differently and treats the subordinates differently. In this context, many models of behavioral approach to leadership have come up like:
 - Tannenbaum & Schmidt's leadership continuum model**
 - Blake & Mouton's managerial grid**
 - Likert's management system 4 managerial model**
 - Tannenbaum & Schmidt's leadership continuum model:** The continuum shows:
 - (a) That 2 extreme styles can be visualized where complete control by authoritative leader or complete freedom by a democratic leader can be seen on left & right extremes respectively.
 - (b) Infinite verifying combination can be visualized along the continuum with each style on righter side as more demo than left side.
 - (c) Some representative styles can be visualized & understood as under



- I. **Telling style:** Leaders takes decision and tells subordinates to obey.
- II. **Selling style:** Leaders takes decision himself but sells it i.e. persuades or convince subordinates rather than seeking blind obedience.
- III. **Consulting style:** leader takes a tentative decision himself but allows freedom to subordinates to comment on it i.e. he involves viewpoints but finally may or may not incorporate those viewpoints.
- IV. **Participating style:** leader uses joint decision making i.e. involvement of subordinates is at the pre- decision stages. The decision comes out of common deliberation.
- V. **Delegating style:** Leader gives complete freedom to subordinates to take decision themselves after only setting the broad goals. The extreme contrast is shown in table below.

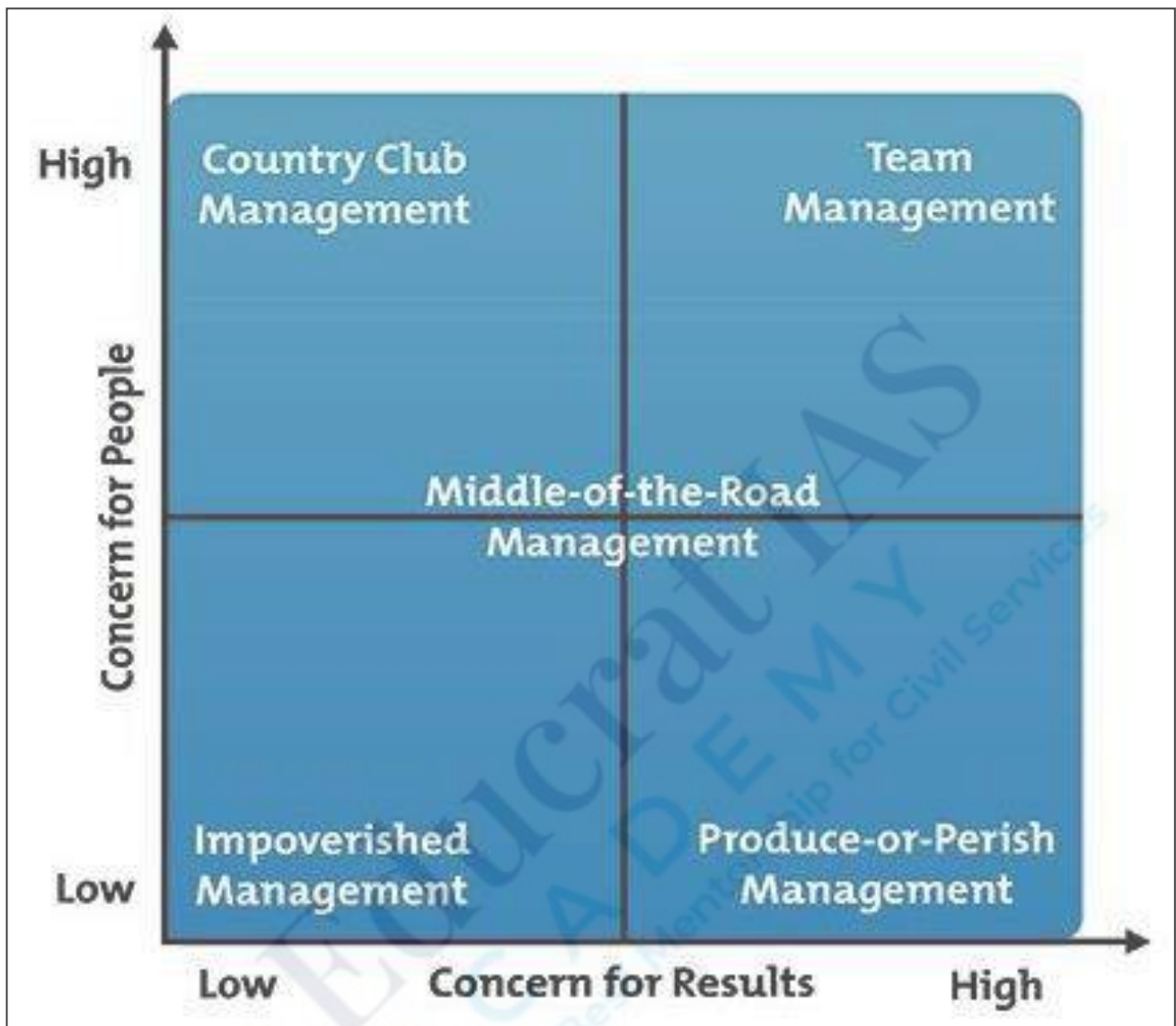
Authoritative	Democratic
Task centred	Relationship centred
Theory X assumptions	Theory y assumptions
Type A (immature subordinates)	Type B (mature subordinates)
Positional power	Personal power

Blake and Mouton's Managerial grid

Leadership behaviour is based on two variables:

- (a) Concern for production/task
- (b) Concern for people/relationship





- 1,1 Impoverished style:** Is a style of a poor leader who shows neither adequate concern for task nor an adequate concern for relationship. These leaders are just about able to maintain the survival of the organization because of their poor task concern & poor employee concern.
- 9,1 Task style:** Such leaders are having high focus on goals, efficiency and performance. They desire obedience from workers and do not welcome any interference in the name of freedom to followers. Thus, they are autocratic with little concern for people.
- 1,9 County club:** These leaders show a very strong and thoughtful attention for people. They seek happiness & satisfaction in interpersonal relationships because their belief is that friendly atmosphere creates better work. Happy worker is a more productive worker. This is a lop-sided style because it has possibilities of dilution of control & coordination of leader.
- 9,9 Team style:** This style is recommended by BLAKE & MOUTON as best style. These leaders seek to create a balance and high emphasis on both people and goals. They create a belief in commonality and seek commitment. These leaders permit max employee development through all round need satisfaction. But at the same time, they are hard task masters. They set stiff targets & tolerate no indiscipline.
- 5,5 Middle of road:-** As the name goes, this is a compromised or intermediate style which is realistically quite common because of moderate combination of task concern & relationships concern. This style describes pragmatic or transactional leaders. Who are in transition from (9,1) or (1,9) towards (9,9).



Thus, managerial grid described with strong logic as to how 9,9 leaders are the best or desirable leaders. This model went on to become one of the most popular models of leadership & many models developed from it like, Reddin's 3-D model & Hersey & Blanchard 3D / life cycle model.

Likert's Management system (Already done in Participative Management)

17. Situational theory / Approach OR contingency Approach



Situational/Contingency thinkers rejected behavioral theories of leadership. Behavioral thinkers believed that leadership style and behavior can be universal. They believed that 'participative management' style is the best management style but this was rejected by contingency thinkers.

Situational/Contingency approach is modern approach to leadership and goes a step forward from the behavioral approach in arguing that 'situation' will decide the suitability and effectiveness of a particular leadership style. The propositions of situational approach are:-

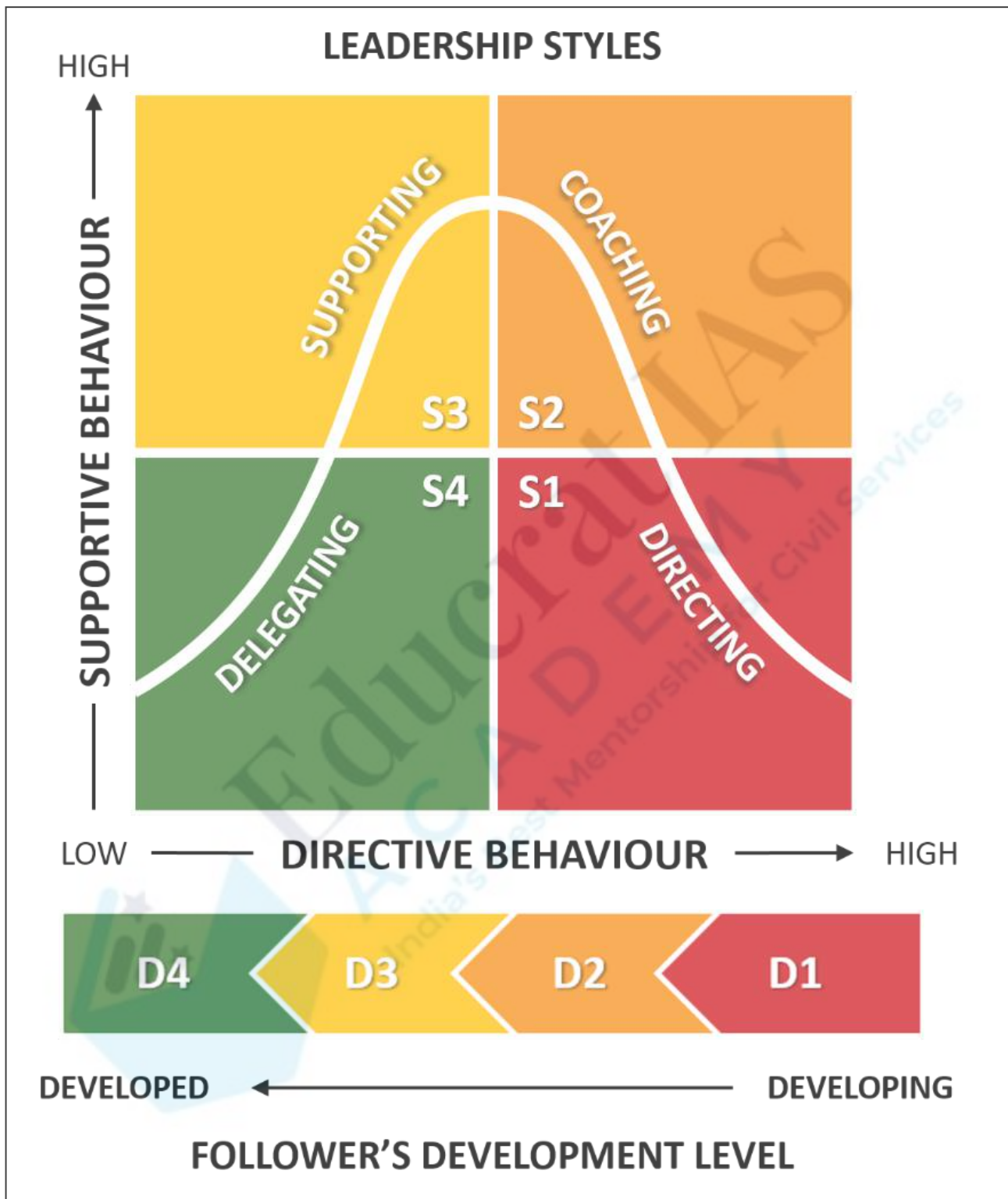
- I. Situation is the independent variable and leadership is the dependent variable i.e. it is contingent on situation and the leader has to mould himself according to situation.
- II. Leadership effectiveness is not a function of leader's charisma, trait or behavior alone; it is more a function of situation he finds himself in and the way he responds to it.

MP Follet gave an early suggestion of situational leadership in the form of "law of the situation" or "leadership of the situation" where leader would be effective if he can

- (I) Understand the totality of the situation
- (II) See the situation evolving from one situation to the other.

Later, many models of the situational leadership were developed. The most prominent are:

Hersey and Blanchard's situational theory: life cycle model



18. Transformational theory (modern theories): This is the latest approach to leadership studies and has within it combination of all the earlier approaches. Some scholars also visualize it as synonymous with charismatic leadership. For e.g. Robert House.

19. However, many others argue that a leader's charisma is one important feature for him being a transformational leader and it needs to be supplemented with other abilities as well. The features of transformational leadership are:-

- (a) Providing **transformational vision and support**. These leaders do not believe in routine way of doing things. Rather they have a vision of transforming the organization and the people. In this context, **Pfiffner & Presthus** defined leadership: “A leader is a modifier of organizational behavior & if an organization has such leaders all its problems will be solved.”

Keith Davis observed: “Without leadership (transformational) an organization is just a muddle of man & machines. It is the leaders who transform potential into reality.”

- (b) They **create a climate favourable** for transformation to take place. In this context Peter Drucker observed :

“Leadership is lifting the men’s vision

Raising the men’s performances.

Building the men’s personality.”

- (c) They are **inspirational leaders**. They use inspirational motivation rather than transactional motivation say, a quid pro quo of a reward upon a performance. This inspiration comes from many features of transformational leaders like:

They are able to create and realize a vision.

They themselves achieve challenging tasks i.e. they lead by example. They give selfless service to the organization and to their followers.

As a result of those features, they are willing to go beyond the routine and they are able to achieve beyond the routine potential. In this context **Katz and Kahn** noted:

“Essence of leadership is the influence which goes beyond the routine and which uses power basis beyond the ones prescribed by the organization.”

The transformational leaders are self-less in the sense that they are not afraid of a failure and criticism. Moreover, they always own up the failure while let the subordinates enjoy the credit for success. Thinking out of the box is a feature of transformational leaders because they refuse to fear failure and criticism.

Transformational leadership is contrasted with transactional leadership- A transactional leader is one who perceives leadership as a set of transactions. For e.g.

1. Transaction of setting the goals, directing the subordinates
2. Transaction of offering the rewards as quid pro quo of the performance.
3. Offering help to subordinates as & when they need.

It can be seen that a transactional leader uses reward-based motivation whereas transformational leader uses inspirational motivation.

In conclusion it can be said that transactional leaders are instrumental leaders whereas transformational leaders are inspirational leaders.

Q A leader is a people's developer (Napoleon). Which aspect of subordinates Can be positively influenced by a leader? (2012).

1. Leading by example
2. Setting good precedent which subordinate can follow
3. Good communication- formal as well as informal & persuasive
4. Supportive leadership style - guiding & providing solutions for subordinates problems.
5. By creating a healthy work environment
6. By encouraging them to be creative & find innovative solutions.
7. Giving them freedom in work rather than dictating one best method.

Q. Leaders do the right things, managers do them rightly- Warren Bennis. Is this distinction valid? Explain

(2008,17)

Leaders take strategic or long term decisions & managers implement those strategic decisions efficiently. Leaders are transformational & managers may be transactional in approach.

Leaders - policy, tactical decision

Managers- Implementation, optimize.

However, in some situations the role of a leader & manager may overlap & therefore the distinction b/w may not always be found. E.g. In young and small organisations there can be a lack of clarity on chain of command, lines of authority & individual role.

Q. Blake & Mouton defined leadership styles based on 2 dimensions-concern for people & concern for production. In light of this statement, discuss the managerial grid model. Explain with reason which one is the best. (2016)

Notes.

Q. Do you agree with the views that the charismatic approach of the mid 1970'e is a new version of the Classical trait theory of leadership. Give Reason. (2015)

Discuss trait theory's characteristics.

Transformational theory:

- i. Not use reward as motivation
- ii. Lead by example
- iii. Set positive precedents
- iv. Ceate a vision
- v. Develop and inspire subodinate
- vi. Allow subordinates to be creative 0
- vii. Healthy work environment

Transformational theory gives some quality but does not give exhaustive list but trait theory said that, It be difficult to have exhaustive a list of trait. Trait theory says having traits makes one as good leader but transformation theory does not gave assurance of good Leadership only with possession of traits.



Communication is the process of transmission, receipt and understanding of some information. The objective behind all communication - “meeting of the minds”, that is, what the sender wants to convey should be the interpretation by the receiver.

DEFINITIONS

“Communication is the process of passing information and understanding from one person to another.” – Keith Davis

“Communication is shared understanding and shared purpose.” – J. D. Millet

Types of communication

External (between organisation and outsiders)

It is the communication which an organisation has with outside parties like customers, competitors, raw material suppliers, government agencies. It is also called PR – Public Relations.

The need of external communication arises from the fact that this communication is vital for image, survival and growth of organisation.

In public administration, external communication is very significant because of goal of public welfare. In modern times, government uses tools like e-governance, citizen charters etc. to communicate with people.

Internal (within organisation)

This communication is between departments, divisions or between individuals who make up the organisation. It can be formal or informal on basis of nature, and horizontal or vertical on basis of information flow.

Formal:

- As per formal organisational plan.
- Designed and in-built in the structure of organisation.
- Structure itself operates as channels of communication.
- Believes in sanctity of command lines.
- Doesn't welcome dilution or short circuiting of channels of communication (Fayol's Scalar Chain).
- Benefits:

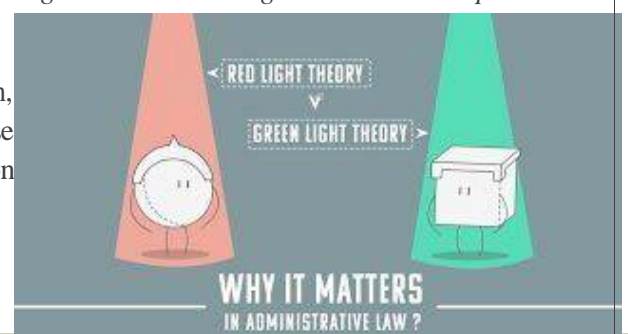
(a) Clarity, that is everybody knows his role, target, authority and instructions.

- (b) Helps in fixing accountability.
- Weakness:
 - (a) Slow
 - (b) May lead to lost opportunities
 - (c) Coercive and de-moralising
 - (d) Not conducive for group cohesiveness
- Types:
 - (a) Top to bottom (superior to subordinate – instructions, orders)
 - (b) Bottom to top (subordinate to superior – feedback, suggestions)
 - (c) Sideways (inter-departmental, superior to superior, subordinate to subordinate)
 - (d) Diagonal communication

Informal:

- It is beyond the official channels of communication.
- It is unplanned and spontaneous.
- It reflects basic human nature as social animals.
- Its role was first analysed by Elton Mayo. Later, it was expanded by Barnard and Simon.
- Merits:
 - (a) More communication by opening new channels
 - (b) Promotes group cohesiveness and belongingness
 - (c) Preserves dignity, self-respect.
 - (d) Gives actual feedback to management (feedback via formal channels is always filtered)
- Informal communication is also called Grape Vine. In this context, Simon observed “the grape vine is valuable barometer of public opinion in organisation.”
- Demerits:
 - (a) Rumours
 - (b) Selective information processing, that is, everyone receiving the information performs his own subjective processing and passes it to others and thus, the information flowing through grape vine is significantly distorted.
 - (c) Can create conflicts between loyalty towards the group and towards organisation. Solidarity among members in good until it is used against organisation. Informal leaders may gang up and instigate the group members against the organisation. This leads to industrial disputes. Thus, informal communication is a double-edged sword. It should be used carefully to maximise benefits and minimise dysfunctions. Keith Davis observed “Grape vine is man's birth right and it is sure to develop in organisations. No organisation can stop it or abolish it.”

The message here is that rather than avoiding informal communication, organisations must learn to live with them. The best way is to use informal communication to supplement formal communication rather than substituting the formal communication.



When determining the role of judicial control over public administration with an intent to prevent power abuse and limit administrative discretion, there are various schools of thoughts which question as to whether the executive actions should be brought under strict judicial control or executive actions should be independent of judicial control or a mid-way should be adopted between the two. Therefore, this article aims

to explore the three theories of administrative law which help in understanding all these discourses i.e. the red, green and amber light theories

The notion of traffic light theories i.e. red and green light theories in administrative law was first used by **Harlow and Rawlings** in 1948 in assessing the objectives of administrative law. These theories emerged as a result of extensive intellectual debates on the relevance of judicial control over executive actions.



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According to Sir Ivor Jennings, administrative law is the law relating to the administration. Administrative law is one of the two branches of public law, the other one being constitutional law.

Constitutional law is concerned with the construction of the machinery of government. While administrative law studies the parts of which that machinery is made, their inter relations and the way in which each of them functions. In this broad sense, administrative law covers all the statutes, charters, resolutions, rules, regulations, judicial decisions and orders which have a bearing upon the structure of administrative authorities, the distribution of functions among them, their powers, their personnel, finance and their responsibilities.

Thus, in broader sense administrative law covers laws of parliament, charters, resolutions, rules and regulations, customs and conventions, judicial decisions and orders.

Therefore administrative law is recognised by its substance rather than by its form.

Reasons for growth of administrative law

Modern society has witnessed vast expansion of functions of administrative law. It is because the functions performed by public administration have increased in times of welfare state. The freedom given to individuals under the system of capitalism coupled with philosophy of liberalism, was misused by some individuals (capitalists) to exploit others (workers). Thus industrialisation accompanied by unchecked capitalism resulted in miserable condition of workers (even common people). This made it necessary for state to not only regulate capitalism, to prevent exploitation but also to perform certain welfare functions.

Significance of Administrative Law

With state performing more functions, the public administration also got more functions, powers and discretion. With this, there is always a threat of misuse of these powers and discretion. Thus, the significance of administrative law lies in preventing abuse of these powers and functions leading to administrative despotism.

Continental legal system

To understand the nature of administrative law, two schools of thought need consideration.

The Continental school of thought includes legal systems of Europe and its roots lie in France. French legal system has duality of laws

1. Laws regulating members of society
2. Laws regulating state and its members

The ordinary courts deal with matters of society, whereas administrative courts deal with members of state (and public administration).

Common Law system

It has a single set of laws and courts to regulate both – members of society as well as members of state. Common law system has two different approaches

1. American – This approach to administrative law was given by Kenneth Culp Davis. Administrative law is the law consigning powers and procedures of administrative agencies and its review by courts.
2. English – this approach to administrative law can be seen in definition by Sir Ivor Jennings – Administrative law is the law related to administration. It determines the organisation, powers and duties of administrative authorities.

Nature and features of administrative law

1. Administrative law subordinates personal freedom and private property to the concept of social or common good. Common good is more important than individual interest.

2. It is flexible because it depends upon circumstances.

3. Administrative law is highly technical in nature and therefore its application is entrusted to specialised administrative tribunals consisting of subject matter experts (ordinary courts have judges with only legal expertise)

4. Administrative law places public authority in a privileged position as compared to private individuals. It is necessary for efficient management of public services.

5. Administrative is essentially experimental and dynamic in nature because, activities of modern state are changing and expanding.

French Droit Administratif

The French version of administrative law is called Droit Administratif. It was developed by Napoleon Bonaparte. Its principles are

1. the power of administration to act suo motu and impose duty on subjects.
2. the power of administration to take suo motu decisions is subject to ambit or scope of law
3. Specialised administrative courts with Conseil D'état at the apex and ordinary courts have no jurisdiction.

Thus, in Droit Administratif, we see separate laws for state and citizens. Ordinary courts have no jurisdiction to try cases where govt or civil servant is a party.

Views of A.V.Dicey on Droit Administratif

In his book "The Law of the Constitution", A.V.Dicey gave a peculiar twist to the concept of administrative law and created a long standing obstacle to its proper understanding by the people of English speaking countries. This happened because he compared the French Droit Administratif with his rule of law and came to a conclusion that France has administrative law but not rule of law, whereas Britain has rule of law but no administrative law.

His rule of law had following features

1. Supremacy of law
2. Equality in the eyes of law. (no separate laws)
3. Principle of habeas corpus i.e no one should be deprived of his or her liberty except for the violation of a law proven in an ordinary court (no special courts)
4. People should not take law into their own hands therefore rule of law excludes self help.
5. Courts of law are the guaranters of the rights of people

According to Dicey, Droit administratif of France has following features

1. Rights of state are determined by special laws and rules which are not applicable to ordinary citizens i.e rights and duties of state are determined by different principles as that of ordinary citizens.
2. Ordinary courts have no jurisdiction in cases where officials in their official capacity are involved. Dicey thought that Droit Administratif gives special protection to officials because administrative courts are manned by civil servants and therefore they must be partial towards officials and against citizens. A.V.Dicey contrasted this with rule of law as prevalent in the UK.

Later it was found that Dicey was wrong in his interpretation because

a) Administrative courts in France were born during French Revolution under the influence of theory of separation of powers. There was a practical need to increase efficiency of administration. Although the special courts were manned by civil servants but later they acquired independent status and protected citizens liberty. Their decisions were often in favour of citizens against the state. Infact, under Droit Administratif, citizens were better protected because in France, State assumed responsibility for torts and paid damage from state funds. But in England, citizens can sue civil servants in ordinary courts and if the civil servant is not capable to pay for damages personally, the only remedy or relief available was imprisonment of that civil servant.

Also Dicey's interpretation of rule of law was not completely correct. He ignored the fact that in Britain also there are some privileged sections. There was growth of administrative tribunals although few in number, by 1885 in England. Income tax law placed revenue officials in different position than common people. Official protection act 1893 provided protection to officials in England which was not there in Droit administratif. Until the crown proceedings act 1947, the crown enjoyed immunity from liability in torts.

Marxists strongly criticised Dicey's rule of law. Everybody was equal in the eyes of law and should be treated equally, this is nothing but a bourgeoisie interpretation of quality. The society is inherently unequal and treating everyone equal is a means to sustain inequality. Karl Marx was of the opinion that Dicey's rule of law was to guard the inequalities. By excluding self help, Dicey was trying to prevent revolution by the workers. According to Dicey, only judiciary will decide violation of laws but judiciary does not deliver unbiased justice. Usually, judges come from capitalist class. Also rich can afford good lawyer as well as time to go to court.

Contemporary status of Rule of Law

Dicey's rule of law has evolved and matured with time. The contemporary scholars are critical of Dicey's original concept of rule of law. According to them, Dicey created a dichotomy between rule of law and administrative law. Whereas in reality, rule of law and administrative law are complementary and mutually inclusive. The objectives are defined by rule of law and they are achieved through administrative law. Infact, administrative law will be direction

less without rule of law. Whereas without administrative law, rule of law will be meaningless.



Delegated Legislation

Delegated legislation means the function of sub-legislation by the executive, i.e., the rule making power of administrative authorities which they have to exercise in pursuance of the power delegated to them by legislature.

It is granted to the executive, local authorities, statutory corporations, universities, representative bodies of certain professions like Bar Council of India etc.



It isn't an original power of the executive in its own right but is strictly subordinate to the terms of the statute under which it is done and authority, under which this power is vested, can't sub-delegate it to its subordinates but must exercise itself.

It is known by various names – executive legislation, subordinate legislation, sub-legislation. It is subordinate because:

- Making legislation isn't the original right of executive but it is derived from the legislature by delegation and is strictly limited by terms and conditions of that legislation.
- It is subject to judicial review in all cases.
- It is lowest in order of authority to constitutional law and ordinary law of legislature.

It isn't to be confused with those forms of legislation which the executive can enact in exercise of an original power of legislation vested in it. For example, ordinance making power of president or governor in India.

The output of delegated legislation is known by various names like rules, regulations, order, warrants, minutes, schemes, by-laws, terms, instructions, circulars, bulletins, notices and memorandum etc.

Constitutional problem in Delegated Legislation

Further making delegated legislation in a parliamentary democracy is not a problem because separation of power does not prevail in strict sense. Like in Britain parliament is supreme and it can delegate its powers to any extent it deems fit and further the constitution in Britain is the outcome of parliamentary deliberations, therefore, it is not a constitutional difficulty in Britain. Whereas, in India, legislator can delegate to the executive but subject to judicial review and delegation cannot exceed the constitutional limits.

But in countries like USA where presidential system prevails, technically delegated legislation is impossible because of strict practice of separation of powers. Therefore, to overcome this constitutional difficulty, legislature or Congress uses the word quasi-legislative power and the courts have allowed this. But it is not to be done to the extent of abdication of legislative function of Congress. Therefore, constitutional doctrine in USA has, in practice, become a doctrine forbidding excessive delegation.

Reasons / need / advantages of Delegated Legislation

Theoretically, even today, a legislature is the sole source of legislative power but for a number of reasons it does not bind itself in a position to exercise whole of this power itself and these reasons are:

- Today, functions of States have increased to an enormous level. Therefore, the volume of legislature's work has increased, making the time available, inadequate. Therefore, it is better to delegate to relief from the pressure of time and burden of details and concentrate on more important issues.

- Modern legislature has to deal with highly technical nature matters and an average member of legislature is only a layman and therefore, it lays down only the general principles leaving the technical details to be filled up by the experts. Therefore, technical details are much better worked out by executive.
- In case of large and complex matter, it is not possible for the legislature to foresee and include all contingencies which may arise. Therefore, it needs to be regulated appropriately.
- It provides for flexibility and avoids the rigidity of legislative enactments.
- It makes it possible for consultation with the interests affected.
- Making of experiments in matters like town planning is easier through flexibility which is possible by delegated legislation.
- It can meet the requirements of emergencies like war, natural calamities, epidemics etc.

Disadvantages of Delegated Legislation

- Delegated legislation leads to new despotism, according to Lord Hewart, old despotism had characters of combination of powers of legislation, administration and adjudication in one authority but now, growth of delegated legislation and administrative adjudication is once again combining them into one hand.
- Views of elected representatives are not brought in the rules and regulations.
- Administrators prefer administrative convenience to the liberty of people in exercise of such powers.
- Over a period of time, legislature may delegate too much even when delegation is made in limited sense. Because of insufficient scrutiny, executive may overstep beyond its limitations.
- Administrative agency consults only organised interest and unorganised public is left out and legislature being representative of general public fails to protect the interest of whole society.
- Abnormal delegation excludes control of courts and deprives citizens of protection of the courts.
- Rulemaking by expert official overlook what is politically feasible.
- Rules can be amended to frequently and multiplicity of amendments may exhaust patience and endurance of those who have to follow and apply.
- Agreements for publication, if not found adequate, results in average person being ignorant of them.
- Sometimes taxing power is also delegated and it cuts at the root of the democratic principle of no taxation without representation.
- Sometimes the sub laws are made to apply with retrospective effect.

Therefore, in this context they have to be exercised rather than altogether doing away with the dedicated legislation because they are necessary evil. Necessary in the sense that parliamentary work load and availability of time are not sufficient and it is evil in the sense that it carries many disadvantages.

Safeguards

With proper safeguards, evils of Delegated Legislation can be avoided:

- **Well defined limits:** the delegated power to legislate must not be vague, general or sweeping that its limit becomes difficult to recognise.
- **Normal purposes:** ordinary delegation, according to Donoughmore committee, should not be made for abnormal or unusual purposes and if the unusual powers are delegated then they should be subjected to safeguards like:
 - (a) Duration of their availability is limited to a year or two
 - (b) Special scrutiny by Parliament
- **Procedure of rulemaking:** it should provide for consultation with the public and special interests affected and draft rules to be published and invite public criticism and suggestions on it i.e., public hearings or adversary hearings which are highly formal like court proceedings be made.
- **Parliamentary scrutiny:** this is done through various forms of laying rules before parliament and they are:
 - (a) simple lay before legislature with no other discretion or requirement
 - (b) lay, subject to annulment of the rules in question by hostile dissolution within a specific period
 - (c) lay the rules and it will not be operative until approved (which is known as effective resolution procedure)

- (d) lay a draft for a prescribed number of days (like in India they are laid for a period of 14 days to 2 months)

It was observed that by just laying the rules, Parliament was not taking notice of it. Therefore, to make parliamentary scrutiny more effective and detailed, there was a necessity of a committee of parliament which will catch the attention of the house on following grounds that whether the rule:

- (i) imposes a charge on public revenues directly or indirectly
- (ii) exclude the control of courts
- (iii) appears to make some unusual or unexpected use of power conferred by the enabling statute
- (iv) has retrospective effect without authorisation for the same by the parent statute
- (v) has been undue delay in publishing it or playing it before legislature.

For any special reason its form or content calls for elucidation. Such committee exist in Britain as well as in India. In India, it is known as committee on subordinate legislation, created in 1953 in each house, consisting of 15 members. It prepares 7 to 8 reports per year.

An analysis of its functioning shows that the committee has made parliamentary control more effective than before its recommendations like: Bills containing proposals for delegation of legislative powers should invariably be accompanied by a memorandum containing the details and scope of such proposals.

- (i) Uniformity should be secured in the provisions of the act delegating legislative powers in various acts.
- (ii) Further, the committee has shown an unvarying tendency to denounce several features of delegated legislation such as curtailment of jurisdiction of courts, violation of provisions of the parent act; indefinite, complicated and ambiguous wording; undue delay between the publication of an order and it being laid on the table of the house.

The committee's labour is bearing fruit. Its recommendations made in the 7th report was given statutory shape in the General Clauses Act which made it compulsory that all instruments of delegated legislation be laid before Parliament. According to G. V. Mavlankar, the first speaker of Lok Sabha, the members of this committee are the only protectors of the people against the new despotism getting aggressive and according to him the committee is the custodian of the duties of parliament and keeps the administration within bounds as intended by the Parliament.

On the flip side, the committee system shows that it has recommended many a times for amending the rules whereas the parliament was unable to do so because of lack of time, thereby, not implementing the recommendations of committee.

- **Have to be published publicized both antecedent and subsequent:** Draft rules if publicized then it can give opportunity for the public to express their opinion and after accommodation such opinion if once again it is published it increases awareness level.
- **Judicial review:** courts see that exercise of delegated authority is not broader than the terms of the delegation and if it is so, it will be declared as ultra vires and void and this power for the court is more in USA than in UK, whereas in India, the position is midway because powers of courts in India are derived partly from constitution and partly from laws of parliament. Courts can also decide on the validity of rules from the angle of reasonableness because of which courts exercise wide discretionary powers.

Administrative Tribunals

ADMINISTRATIVE ADJUDICATION

It is a quasi-judicial power vested with the administrative agencies, executive department, particular officials or administrative tribunals.

According to L. D. White, administrative adjudication is the investigation and settling a dispute involving a private party on the basis of law and fact by administrative agency.

Therefore, according to White, it is different from other administrative decisions in the sense that it decides the dispute between private individuals and state or between two private persons. For example, dispute between employer and employee in workers compensation case.

Difference between Courts and Administrative Tribunals

Further, it is different from purely judicial process as follows:

- Law court is administered according to settle principles of law while administration adjudication is not guided by definite legal precepts but certain statutory stands for common good, public interests, public necessity etc.
- Judge enjoys thoroughly the independence and immunity in case of law courts but administrative agency has no such protection.
- Justice in courts is supposed to be administered without any bias but administrative adjudicator is predisposed in favour of the policy which he is applying.
- Judge administers personally and there is no scope for delegation, whereas in administrative adjudication, it is possible.
- *Lis iner partes* (Between the parties) is an essential feature of truly judicial process whereas it is not so in case of administrative adjudication.
- Administrative adjudication combines the function of judge and prosecutor in same agency.
- Any of the essential features of judicial process like - right to be heard, cross examination, legal assistance, proceedings in open court may be absent.
- Court gives reasoned decisions and administrative tribunals in many cases simply announce their decisions.

Reasons for growth of administrative adjudication

Apart from reasons discussed in the context of delegated legislation other reasons are:

- Legally trained judges stepped in the tradition of individualistic common law usually failed to grasp the new spirit of the modern, social and regulatory legislation.
- Procedure of regular courts is cumbersome, costly and delaying and a number of cases arising under modern social enactments like social insurance legislation concern poor who cannot afford to meet the ruinous, suicidal cost of ordinary courts.
- Administrative courts can accommodate technical experts.
- Application of a legislation informed with social or economic policy to cases requires adjudicators who will be able and willing to give due weight to considerations of that policy.
- Social interest often requires what has been called as 'aggressive enforcement of the social policy and legislation'.

Characteristics of administrative tribunals:

- They are established by executive in accordance with the statutory provisions.
- Their proceedings are deemed to be judicial proceedings and they have power of a civil court.
- They follow principles of natural justice.

- They are not courts in a proper sense of the term, but their proceedings are considered as judicial proceedings.

Advantages of administrative tribunals:

- They provide cheap justice (cost effective) in terms of both the party as well as the state because there will be no court fee and appointment of lawyer etc, whereas, the salary paid to the judges of such courts is relatively low. On this account, it is cost effective for state.
- Speedy justice:
 - (a) dispense the case with oral hearing
 - (b) abandon the intricate trial process
 - (c) can waive vexatious rules of evidence
- Flexible:
 - (a) They can break away from previous ruling if and when necessary, in the light of new facts and experience.
 - (b) Can make use of sources of information other than the evidence put before them.
 - (c) Can hold enquiries and can arrive at facts on which to base the decision.

Disadvantages of administrative tribunals:

- They do not provide for publicity of proceedings and even if published, reasons will not be cited. Therefore, it is not possible to predict the trend of future decisions.
- Their proceedings are not open to public and press, therefore, they do not inspire public confidence.
- Poor quality of investigation into the questions of fact.
- Right of appeal from the decisions of administrative tribunal is often limited or even non-existent and the opportunity for judicial review is limited and it may result into miscarriage of justice instead of speedy justice. In this context, Lord Hewart has called administrative tribunal as 'organised lawlessness' because they are encroaching upon the jurisdiction of judiciary. Therefore, to curtail this tendency, judicial review has to be provided.
- No uniformity in procedures because of variety of tribunals. This disadvantage can be overcome by adopting a code of judicial procedures.
- It performs quasi-judicial functions and the person acting as judge is not legal experts. This problem can be overcome by training the civil servants in legal aspect and going for composite tribunals or cross-fertilization or provide for judicial review.
- It violates the principle of natural justice - nobody should be a judge in a case in which he himself is involved. Therefore, administrative tribunal should be given autonomy or bring them under judicial review scope.
- Administrative tribunals are indiscriminately resorting to administrative adjudication. (Government is opening administrative tribunal in every area) Therefore administrative tribunal should settle only those cases which are unsuitable for submission to regular courts.
- Administrative tribunals should not be headed by single person because decisions will not be rational and therefore it should be entrusted to a board of members.

Constitutional position with regard to administrative law in India

Administrative law existed throughout the history of India in one or the other form right from the modern period but it was not studied as a separate subject.

The focus on administrative law increased after independence. Article 13 recognises the existence of subordinate legislation in India and it recognises role of administrative tribunals in article 136 and article 227 but has not given details, thereby, recognising administrative law and its related aspects.

Therefore, administrative law exists in India but is not the exact replica of *Droit Administratif* system of France because in *Droit Administratif* system, there is no scope for judicial review and adopting such a concept will be violation of constitution in India because judicial review is an integral part of basic structure of constitution in India.

We cannot separate constitutional law and administrative law into watertight compartments because we have written constitution which clearly shows that they are connected, in the sense, administrative law has to function within the ambit of constitutional law.

In India, delegated legislation, which is the source for administrative law can be challenged in the court of law not only on the grounds of legality but also on grounds of violation of fundamental rights. Because of these provisions, administrative law has grown enormously in India and over a period of time, some of the laws but not in tune with the changing demands of the time, therefore, there was a demand for review. As the good governance initiative, a commission on review of administrative law in 1998 under the chairmanship of P. C. Jain was appointed, which recognised the need for administrative law to change according to the demands of the time. It recommended for repeal of 50% of Central administrative laws and amendment of 109 laws.

Therefore, we can say that administrative law has been the integral part of Indian administration and after independence, it has grown both in size and importance and it has been changing according to demands of the situation.

Delegated Legislation in India

Article 245 recognises the legislative powers of parliament and article 246 for state legislature but there is nothing explicitly mentioned in Indian constitution which bars the directly recognises the existence of delegated legislation.

But the constitutional makers were aware of limitation of parliament and necessity of delegated legislation, therefore, article 13 (3) includes ordinance, order, by-law, rule or regulation, notification as law.

We know that rules and regulations are not made by any agency other administrative organisation; therefore, constitution indirectly envisages delegated legislation. Apart from this, the various traditional pronouncements also recognise delegated legislation like Supreme Court in *Re Delhi laws act* case has upheld the constitutional validity of delegated legislation. Also, justice Krishna Iyer has conceded to the indispensability of delegated legislation in *Arvind Singh vs State of Punjab* case. Also, Supreme Court has given the opinion that delegated legislation should not be in excessive tune which was evident in the *Registrar of cooperative society vs V. K. kunjalemn* case. Therefore, in India delegated legislation has been approved by the constitution as well as judiciary but subject to judicial review.

What is public policy?

“Public policy is what government chooses to do or not to do.” – Thomas Dye.

“Authoritative allocation of values.” – David Easton.

“Sum total of all government activities.” – Guy Peters.

Public policy in general means a broad course of action / guidelines. A policy becomes the basis for future decisions. For example, new education policy, health policy, economic policy etc. In fact, government has policies for all the sectors. These policies guide government actions and decisions in future. Thus, public policy tells us the following about government: Values, objectives, resource allocation and methods to achieve objectives. Sometimes, not doing anything is also a public policy because government deliberately doesn't act in certain sectors and affairs. Governments also prioritise distribution of its resources and therefore, it doesn't allocate resources to all the demands right away. Thus, not taking any decision is also a decision. For example, the concept of minimum government means government performs less activity and therefore, inaction is also an action.

Why is it called 'public' policy?

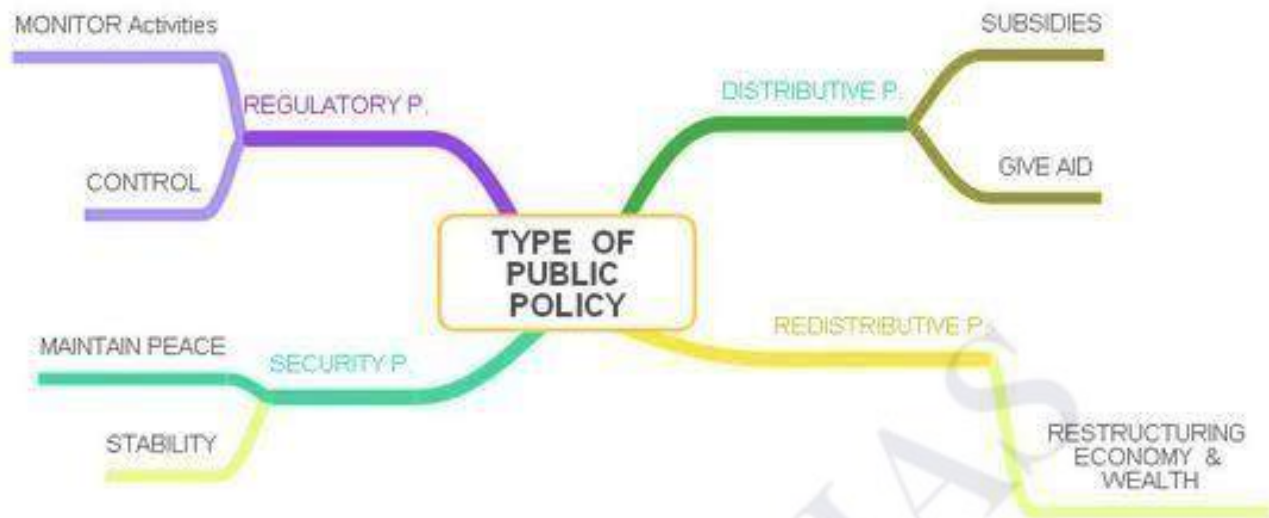
No policy can be called public policy unless it comes from a governmental institution or legislature. As David Easton defined it – authoritative allocation of values. However, today public policies shouldn't only be authoritative but also, consultative and participative. Public policies aim to humanise the society. The word public in public policy has many connotations:

- (a) It can relate to government / states.
- (b) It relates to welfare and common good of society.
- (c) It is related to government authority, that is, authoritative allocation of values.

The roots of public policy can be found even in times of Aristotle, Plato and Kautilya. In modern times, the field of public policy emerged in 1960s pioneered by Harold Laswell and thereafter, public policy had two broad paradigms:

1. Incrementalistic
2. Rationalist

Thus, the word 'public' in public policy means both government as well as public welfare. Public policy is about how the resources can be allocated in best possible manner to different sections of society. Public policy as a field of study emerged in political science as political science deals with values and policy making. Policy scientists ultimately aim for humanisation of society, that is, the role of state isn't merely about distribution of goods and services but also, elimination of injustice, discrimination, inequalities. However, a policy is as good as it is implemented. Policy is made as it is being administered and administered as it is being made! It means that a good policy can be successful only when it is implemented efficiently and effectively and therefore, public policy becomes a field of public administration also. There is a strong link between public policy making and implementation. Only when both are of good quality, it will result into improvement of society.



Types of public policies

1. **Distributive:** Here, public policy aims at a fair distribution of goods and services among people as resources are limited while demands are unlimited. Budget is an instrument. A rationalist public policy aims to distribute goods and services such that is pareto optimal distribution.
2. **Redistributive:** It is about reallocation of goods and services so that there is levelling in society, that is, reducing inequalities. For example, taxation policy, DBT etc.
3. **Regulatory policy:** Policies which regulate the affairs of people.
4. **Constituent public policy:** It refers to reorganising or reconstituting the structures of state. For example, abolishing old structures and establishing new ones – PC and NITI.

Policy vs plan vs decision making vs aims and objectives

Policy is a broad course of action. It doesn't necessarily contain details of course of action.

Planning is more specific and refers to advanced course of action. It involves techniques like FYP, annual plan. Plans may be exhausted after its term.

Sometimes, the terms policy and plans can be used interchangeably. For instance, a plan can also be a policy document. Perspective plan is long term policy. A policy can become basis for a plan and a plan can be a basis for policies. However, in general, policy has broad connotation and that's why there are models of policy making. Decision making is about making a choice out of given alternatives within the framework of policy. Daily decisions are guided by long term policies although policies making also involves decision making.

Values are nothing but a set of standards which guide the conduct of state, government as well as individuals. For India, these values are enshrined in constitution.

Values are ultimate objectives. Aims and objectives refer to a series of goals to achieve ultimate values.

Stages of policy making

In general, public policy consists of 5 stages and the field of public policy aims to improve these 5 stages. Policy making is the most important stage. Policy making belongs to the discipline of political science while policy implementation is dealt by discipline of public administration.

Complete life cycle of policy is:

Most of the models in policy cycle deals in policy making stage. It is also because public policy science is primarily a sub-field of political science and policy making belongs to political science while implementation is done by public administration.

Agenda setting: It is the first stage of policy making when government realises that there is a need to make a policy or change existing policies. it may happen when:

- (a) Government faces any problem
- (b) Current policies not giving results
- (c) People demand and dissatisfaction shown by people
- (d) Technological changes

In agenda setting, media, civil society and pressure groups also play important role. For example, Anna Hazare moment against corruption led to establishment of Lokpal.

However, not all agendas reach the policy making stage. There can be debate, reports by commissions, suggestions by thinktanks on some agenda but government may choose not to make a policy. Therefore, there can be a discontinuity between agenda setting and policy making as suggested by incrementalist paradigm such as organised anarchy model.

Policy making

Once, problem is identified and agenda is set, government may choose to make policy by:

- (a) Secretariats of ministries
- (b) Independent thinktanks
- (c) Institutions and committees

While agenda setting can be done even by non-governmental actors, public policies are made only by government. It is called policy stream by organised anarchy model. Although, once government takes a decision to make or change a policy, policies are finally made as believed by rationalist but incrementalist believe that even if policy is made, government may not adopt it. For example, BP Jeevan Reddy committee on AFSPA – report not made public, whistle-blower protection act not brought into force.

Policy implementation

It is the responsibility of public administration or bureaucracy. Although, senior bureaucrats also influence policy making. After LPG, policy implementation is also done by non-governmental entities – business sector, civil society etc.

There are different models on policy implementation.

The top-down model suggests that policy implementation is likely to be most effective when everything is well defined in policy and there is role clarity, goal clarity, division of work, coordination etc. This is typical feature of classical theories, leads to centralisation. It is suitable for those sectors and activities which are routine but not for activities requiring innovation, local participation and adjustments.

Bottom-up model talks about giving autonomy to functionaries at street level or cutting-edge level or ground level for policy implementation. This allows to make changes according to local requirements and increases people's participation.

The hybrid model combines both top-down and bottom-up because neither over centralisation nor over-decentralisation is desirable.

Policy monitoring

It means policy supervision to ensure that implementation gives result as expected. Classical theories recommended strict supervision / monitoring. In government, public policies can be monitored / supervised by government as well as non-government actors. Government has ministries, departments, directorates and non-govt sector has media, civil society and citizens who monitor the policy implementation.

Policy review

- It is after policy implementation.
- Can be done by both internal and external machinery:
 - (a) Internally by governments through annual reports, economic survey, CAG etc.
 - (b) Externally by international agencies through international indices, reports.
- (b) In India, unfortunately, there is lack of impact assessment, review and feedback. Feedback is a contemporary development and a feature of behavioural theory – double loop learning, performance budgeting, EIA (environmental impact assessment) etc.

Models of policy making

- (c) The models of public policy are mainly
- (d) concerned with policy making stage. They deal with 2 questions:
- How are policies made?
 - How policies can be improved?

Harold Lasswell (American political scientist) is considered as pioneer of field of public policy as in his book in 1951 for the first time, he advocated for a separate discipline of policy science for improving policy making. This policy science should be:

- Multi-dimensional: policy making as inter-disciplinary field influenced by economics, sociology and psychology etc.
- Contextual orientation: problem solving
- Normative orientation: humanising the society.

Thus, Lasswell also influenced the field of public administration.

In policy science, the contribution of Yehezkel Dror is also significant.

Because of absence of policy science, there is administrative lag, that is, there is a pace of change in society is faster than pace in policy making and this lag can be minimised by field of policy science.

Since then, models of public policy have evolved and broadly, there are 2 paradigms known as:

- Incrementalist paradigm
- Rationalist paradigm

Incrementalist	Rationalist
t	t
How policies are made.	How policies should be made / improved.
Descriptive.	Prescriptive / normative.
Approach of political science.	Approach of public administration.
Since, it focuses on how policies are made, it believes that policies are improved incrementally and there is no systematic link between different stages of policy making. There are many constraints due to which policy making remains incremental.	It believes there are no constraints and there is systematic link between different stages of policy making. Policies can be radically improved.
Deal with limited variables.	Deal with wide range of variables and that's why, also called rational comprehensive model.

Within these paradigms, we have different models / schools of thought.

Incrementalist paradigm Schools of thought:

- Lindbloom
- Systems theory – David Easton
- Group model
- Institutional / new institutional model
- Garbage can model / organised anarchy model

Advantages:

- Many governmental activities/sectors are routine or repetitive and therefore, incrementalism is suitable.
- Less resources required for implementation.
- Less uncertainty and risk.

Greater level of acceptance by people.

- Examples: budgeting in India.

Disadvantages:

- Maintains status-quo.
- May lead to a wrong policy to continue forever.
- Example: police in India needs major reforms but incrementalism since independence has not solved the problems. Similarly, like police, British legacy or hangover remains in Indian bureaucracy despite incremental changes.
- Doesn't suit sectors/activities which require innovation.
- It ignores what is obvious. In some sectors, radical change may not be brought even when complete information is available. This is because of incremental tendency. It is a criticism of incremental approach known as Beagle's fallacy (a dog with good sense of smell but poor sight can miss its prey lying in front if wind is blowing away from dog).

Incrementalist model of Lindbloom

Lindbloom is the most important incrementalist thinker who explained policy making by following components:

- (a) **Disjointed incrementalism:** it means policy making isn't jointed; there is trial and error rather than a step-by-step systematic effort.
- (b) **Partisan mutual bargaining:** Lindbloom analysed policy making in which there are multiple stakeholders, uncertainty and inadequate information. Hence, such factors make the policy making incremental. These many stakeholders have a reciprocal relationship between them, and they bargain for fulfilling their interest. This idea of Lindbloom can be compared with:
 - (i) MP Follet: there is similarity with integration approach of MP Follet.
 - (ii) Adam Smith: Lindbloom reciprocal relationship doesn't have any invisible hand which guides relationship between demand and supply in Adam Smith's theory.
 - (iii) Herbert Simon: Lindbloom focuses on collective decision making, considers external factors also whereas, Simon's DMT recognises individual decision making within organisation.
- (c) **Science of muddling through:** In his work published in 1969, he propounded his incrementalism as science of muddling through. It indicates procrastination by government because of disjointed nature of policy making and lack of consensus among various stakeholders. For example, disjointed efforts and lack of consensus on police reforms.

Lindbloom restructured his own policy and improved it like FW Riggs. He included limited aspects of rationalist approach. It means while initially in his incremental model, he rejected rational elements but later, he was receptive to rationalists.

Critical appraisal of Lindbloom: same as disadvantages of incremental models.

Systems model of David Easton

Influenced by systems approach in public administration and organisation theory, he was a political scientist and gave the concept of systems theory or black box model. It is a description how policies are made rather than how they should be improved. It is also known as input output model.

Demands here mean demands coming from public and other stakeholders in society about policy making. It is like agenda setting.

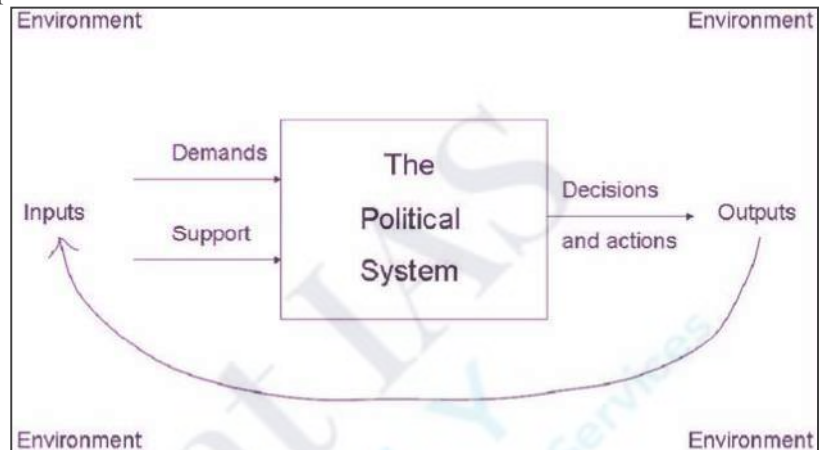
Support refers to existing legal and political framework.

Political system is the main part which determines policy. That why he defined policy making as authoritative allocation of values.

That is, public policy is ultimately

determined by power and authority in political system especially by legislature, executive and bureaucracy. That is why it is also called black box because how exactly a policy is adopted by political system is difficult to explain.

In his systems approach, there is role of environment and feedback once a policy is made but didn't explain their influence on policy making.



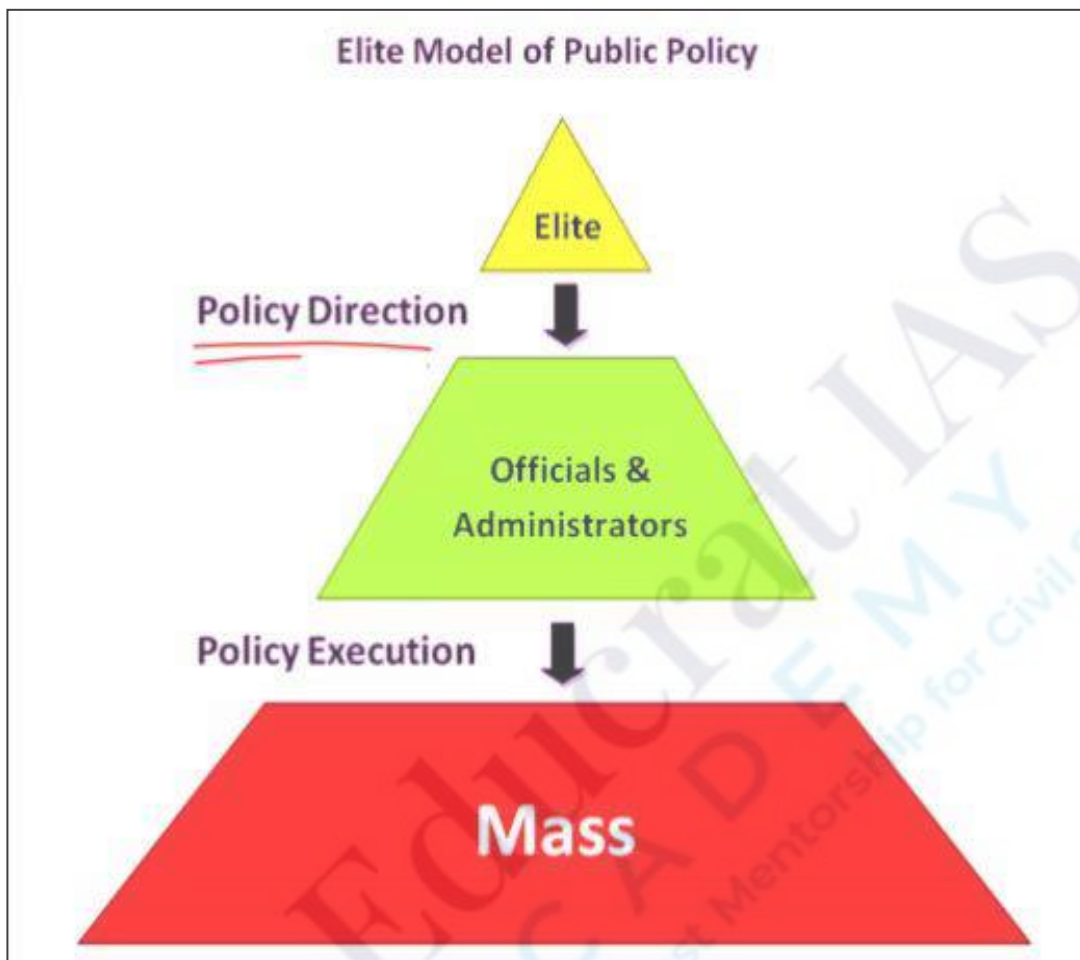
Critical appraisal:

- The black box approach is itself a criticism of policy making approach.
- Policy is also influenced by environment and feedback of previous policy. Policy making isn't only authoritative but also democratic allocation of values.

Institutional and New institutional model

Traditionally, policy making was a result of institutions like L, E, J and bureaucracy. But under new institutional model, new institutions have emerged which play a role in policy making. For example: corporate sector, civil society and international organisations etc.

ELITE MASS MODEL



C. Wright Mills gave this model.

In this model, elite means people belonging to higher strata of society. Mass means common man. There is a separation or alienation between elites and masses. Elites have knowledge, information and expertise. Masses are uneducated and unaware. Thus, policy making is dominated by elites, bureaucracy, corporates and the rich. Policies are made to maintain status-quo rather than bringing change. Policies protect the interest of elites.

Criticism: In today's context, this model seems to be less relevant due to democratisation of society, emergence of pressure groups, civil societies, international NGOs and mass movements. Gradually, India's political culture is becoming participative.

Group model: There are different groups competing and demanding a policy to maximise their own interest. These groups can be based on caste, language, religion, profession, sex etc. There is lack of consensus and delay in decision making. For example, in reservation policy, there are many groups involved – SC, ST, OBC, EWS.

Garbage can model:

Given by Cohen, March and Olsen.

This theory explains policy making through garbage can. There is no systematic link between problems, solutions, participants and decision makers. The problems, suggestions are all thrown into garbage can because something else will emerge as policy. Many a times, what are the problems and what are suggestions, don't have any link.

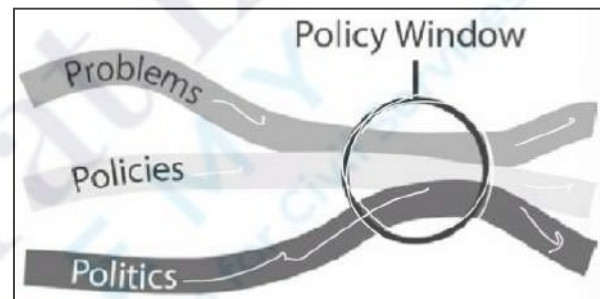
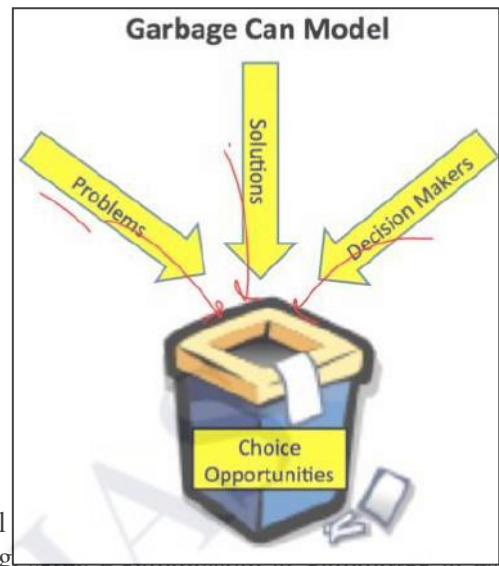
Organised anarchy model

Given by John Kingdon.

It is an extension of garbage can model. It is 'organised' because it has 3 steps but it has anarchy because these 3 steps may not have any link.

- (a) Problem stream: agenda setting.
- (b) Political stream: not all problems or agenda is considered by political stream, government can make a decision to call a cabinet meeting, any thinktank to look into the problem.
- (c) Policy stream: once at political stream level, decision is taken, policy can be adopted. Again, government can still not adopt a policy.

Thus, organised anarchy model also explains uncertainty and incrementalism in policy making.



RATIONALIST PARADIGM

Schools of thought:

- (a) Simon
- (b) Public choice model
- (c) Normative optimal model – Dror
- (d) Pareto optimal model

Advantages:

- Brings high level of objectivity and rationality in policy making and hence, leads to efficient allocation of resources.
- Society is changing fast and continuously and therefore rationalist models are suitable.
- Sets high standards for policy making.
- Suitable for those sectors which require change and innovation.
- Promotes best use of resources.
- Can have transformative effect on society.
- Doesn't allow wrong policies to continue.

Disadvantages:

- It becomes too comprehensive to be effective.
- May be more ideal than practical.
- Perfection isn't achievable.
- May not address all the uncertainties. They assume that some variables will remain stable.

- No systematic relationship between different stages of policy making as explained by organised anarchymodel and garbage can model.

Conclusion of incrementalism vs rationalism: Both incremental and rational models of public policy making have their own merits and demerits. Both are relevant and have enriched the field of public administration. Incrementalist models can become the basis for rationalist model to improve policy making and the failures of rationalist model can give valuable lessons for incrementalists. Thus, both models are relevant for understanding public policy.

Rationalist models: Rationalist models focus on as to how to improve policy making believing that there is systematic step by step policy making in policy cycle. It is also called synoptic model or rational comprehensive model. It includes:

Public choice model: Public choice model aims to achieve rationality by offering people choices. Ultimate assumption is that every man is rational and self-utility maximiser.

Pareto optimal model: Pareto optimality model given by Vilfredo Pareto, a welfare economist. Aim: optimal allocation of resources in such a manner that Pareto optimality is achieved when nobody can be made better off without making anybody else worse off. For example, in India, Supreme Court has achieved this optimality in reservation policy by fixing a cap of 50% so that welfare and merit both are achieved.

Both approaches try to reach complete rationality.

Criticisms:

- (a) A perfectionist model assuming every man is rational (man is as much emotional entity also), complete information and knowledge.
- (b) Society never remains stable.
- (c) Suitable for developed countries.

Simon's rational decision-making model has been covered before.

Yehezkel Dror's optimal rational model or normative rational model

It is a popular rationalist model which tries to overcome weaknesses of incrementalist as they become too conservative and rationalists who become too rational. Thus, Dror has rejected both pure rational approach and rigid approach of incrementalist. Although he still recommends improving rationality in policy making. Basically, he aims for making best decisions in each situation. Hence, advocates a practical approach which consists of 4 elements:

1. Pure rational approach
2. Extra-rational approach (normative elements like faith, religion, values etc.)
3. Application of management techniques for enhancing rationality
4. Development of a policy science.

Dror belongs to a school of public policy which advocated for establishing a field of policy science. He found that there was less effort in development of policy science and that's why there was administrative lag in public administration such that the pace of policy making was less than the pace of changes in society. Thus, his model is an integration of incremental and rational models. Although, it is more a rational model than incremental. There are 3 stages:

1. Meta-policy making (knowledge about policy itself – aim, stats, stakes etc)
2. Policy making
3. Post-policy making

The aim of these 3 major stages and within them, total 18 steps is to combine both rational and normative features in public policy in each situation.

Criticisms of Dror's model:

- (a) Difficult to have water-tight separation among 3 stages.
- (b) Dror's model includes rational as well as extra-rational considerations but there can be a conflict between the 2. For example, rationality may not be compatible with values always.
- (c) A metapolicy can bring rigidity in policy making because circumstances and society keeps changing.
- (d) It is more relevant for long term policies rather than short term.
- (e) It is less applicable for routine and repetitive sectors.

Mixed scanning model of Amitai Etzioni: This model tries to strike a balance between incrementalist and rationalist approach. It is neither as rigid as incremental nor as comprehensive as rationalist. The purpose is to be rational but not too rational. Also, this approach involves role of people. In 1980s, Amitai Etzioni published his work known as active society in which he advocated that people should also have active participation in decision making. Generally, rationalist don't respect people in terms of their policy making approach and therefore, people remain passive.

State theories and public policy formulation: State theories deal with political theories which influence ideology of any state and nature of any state which in turn influences policy making by state.

A state is a political-legal term which possesses the authority to make rules that govern the people in a society inhabiting a defined territory.

Major state theories:

Pluralist state (by Thomas Hobbes and John Locke):

- basis is social contract theory which is a voluntary agreement amongst individuals to create an organised society and state.
- Before, state was created by social contract, people lived in state of nature where there is unconstrained freedom, but life is poor, brutal, short and nasty.
- Purpose of state is to protect life, liberty and property of individuals (said by John Locke).
- State is neutral and not biased in favour of any group. Power is distributed among wide number of groups.
- Nature of public policy: public policy represents all sections for the benefit of whole society. Pressure group activity plays most important role in public policy.

Modern pluralism / neo-pluralism (by Robert Dahl and Charles Lindbloom):

- gives a more critical view of state.
- Business enjoys privileged position in relation to government and other groups can't rival business groups with respect to government. Business is the investor and employer in society.
- Nature of public policy: it is not impartial and is biased in favour of some. Public policy is a product of relative strengths of various pressure groups.
- Public policy furthers the interest of business class and state's interests.

Capitalist state (Marxist theory of state):

- State is nothing but instrument of class oppression.
- State reflects class system.
- Nature of public policy: to protect the interest of the bourgeoisie.

Marxist state

- Public policy is egalitarian and provides equal benefits to all sections.
- No discrimination and no incentives to business class.
- Public policy is aimed at increasing equality in society.

Meaning, Nature, Scope and Significance of CPA

CPA is defined as the study of administrative systems in a comparative fashion or the study of pub ad of other countries with respect to one country.

CPA is a young discipline which came into existence after Second World War.

There are different approaches to study CPA. Research in CPA has a domination of American scholars. CPA tried to find answers as to why an administrative system works in one ecological setting but fails in another ecological setting.

Three dimensions of comparison

1. **Cross cultural** – Urban vs Folk societies, industrial vs agrarian
2. **Cross national** – between two countries – it can be across cultures i.e cross cultural (Indian administration vs American administration) or within same culture (comparing administration of two developed countries)
3. **Cross temporal** – Indian administration before independence vs after independence.

Objective of CPA is to formulate universal theories. There are many theories in pub ad but there is not any truly universal theory of pub ad.

Research in CPA also aims at finding practical application of these universal theories. CPA also contributed to comparative politics and comparative policy analysis.

In CPA, comparison can be carried out in terms of

1. Environment
2. Whole administrative system
3. Pattern of administrative system like hierarchy or division of work, decentralisation etc;
4. Public-personnel policies

Thinkers who contributed to CPA**1. Robert Dahl**

“As long as the study of pub ad is not comparative, the claims of signs of administration would sound rather hollow”
According to him, the discipline of pub ad was facing three problems for it to be called as science

- a) Exclusion of values
- b) Exclusion of dynamics of human behaviour
- c) Universality of principles of organisation (not tested and not comparative)

2. Robert Golembiewski

- I. He said that organisations should not be treated in isolation. An organisation must be viewed as embedded in specific cultural and political setting.
- II. Principles of administration are seriously inadequate.
- III. Both study and practice of pub ad are value loaded.
- IV. Every academic discipline must have both pure and applied parts

3. F.W.Riggs**The momentum for CPA**

1. Policy oriented catalysts – It means those factors which stimulated the growth of practical knowledge aimed at more effective policy making and execution in concrete situation
2. Intellectually oriented catalysts – It means developing generalisations and building theories with cross cultural, cross national and cross temporal relevance.

3. The behavioural moment – the behavioural approach in pub ad motivated greater scientific research and systematic theory construction. Testing of hypothesis in cross cultural contexts has made the study of comparative pub ad a necessity

Ecology and Administration

In CPA, the concept of ecology has been an important area of study. It recognises that administrative system of a country does not work in vacuum and cannot be studied in isolation because the administration interacts with many components of ecology. The concept of ecology is a reflection of 'general systems theory'.

J.M.Gauss was the first scholar who used the concept of ecology in the study of pub ad in late 1940s. Gauss was primarily interested in identifying the main ecological factors which affect American pub ad. He gave a list of six factors

- a) People
- b) Place
- c) Physical technology
- d) Social technology
- e) Personalities and aspirations of people
- f) Catastrophic situations

These ideas of Gauss were used by two major CPA thinkers later. They are F.W.Riggs and Ferrel Heady. Riggs followed the analysis of ecology and argued – if ecological factors are helpful in studying one's own administrative system, then they will also be helpful in carrying out comparative studies. Thus Riggs used the concept of ecology and administration to understand and explain as to how administrative functioning in a country cannot be understood without understanding the ecology of that administrative system.

Ferrel Heady gave an even more analytical description of ecology of administration. He depicted ecology of an administrative system through a model consisting of many concentric circles. According to him various components of ecology surround the administrative system of a country and provide the framework within which the administrative system operates. The outermost circle has weakest influence and innermost circle has strongest influence on administrative system.

Based on this argument, Ferrel Heady gave two aspects of classification of a nation for comparative analysis –

1. Unitary vs Plural or Autocratic vs Democratic – this classification is based on political ecology
2. Developed vs Developing – this classification is based on socio-economic ecology

In fact, this second classification of developed vs developing countries went onto become most popular classification for comparative studies in pub ad. This happened because the CPA moment coincided with emergence of large number of newly independent nations during 1940s and 1950s.

Models in CPA

In CPA, three main models have emerged which have been used to carry out comparisons. They are

1. Weber's bureaucracy model and its variants
2. Structural – functional model
3. Development administration models

1. Weber's bureaucracy model

The bureaucracy model of Weber was the first model used for comparative analysis and has been enthusiastically adopted by researchers in CPA to identify the actual administrative institutions and their functioning as against the prescribed ideal in Weber's bureaucracy model. This is often called theory testing in CPA. Thus scholars like Thomson, Crozier, Merton, Clausoffe and Peter Blau used bureaucracy for comparative testing. Further it was the frustration of America and UN regarding the failure of bureaucracy model in the newly emerging nations which motivated the scholars of pub ad to search for next grand theory/model of pub ad.

2. Structural –functional model

While studying the impact of ecology on administration, there is another concept called structural-functional approach which seeks to understand and explain the co-relation between administrative structures and their functions. Based on this approach, following distinction can be made

- a) Whether there is a relatively clear and specific structural-functional interrelation i.e a particular structure/institution performs an ear marked function or
- b) There is a structural-functional overlap which causes complexity and confusion i.e a particular structure may perform many functions or conversely a particular function is performed by mutliple institutions

Using this approach, Riggs came up with multiple ideal types rather than a single ideal type

Even this model suffered from limitations because it did not offer any practical help for making underdeveloped

societies developed. It was more of an academic pursuit towards grand theory building. Therefore the next logical step for CPA model building was towards creating such models which can give development.

3. Development-administration models

These models revolved around goal orientation. Thus focus shifted from 'theory building' to institution building i.e rather than pursuing academic growth, this approach pursues practical administrative approach. Thus the focus was on administrative development or administrative reforms. Development administration models have emphasis on directed socio economic change. Development administration approach to CPA is also called enclave approach because it is oriented purely on the applied site and its purpose is to make socio economic transformation possible rather than the purpose of theory testing and theory building.

F.W.Riggs

- regarded as foremost scholar of CPA

- wrote extensively – “Ecology of public administration 1961”, “administration in developing countries-theory of prismatic society 1964” and “Prismatic society revisited 1973”

Riggs observed three trends in CPA

a) from normative to empirical - Riggs argued that traditional public administration was typically normative or prescriptive. According to Riggs, the universal or so called one best solution does not suit the real requirements of various ecologies. Therefore rather than prescribing universal solutions, CPA describes empirical observations (studying what actually is, instead of what ought to be)

b) from ideographic to Nomothetic – Nomothetic means generalisation rather than ethno centricity or parochialness (Ideography). According to Riggs, ideographic approach is applicable only to few ecologies and is culture bound, whereas Nomothetical studies are applicable to many ecologies.

c) From non ecological to ecological – traditional public administration has often been non ecological and based on closed systems approach, whereas CPA is ecological in nature.

Model of Riggs

In 1956, Riggs created a two fold typology by using some variables – industria (America) and Agraria (SouthEast Asia)

The variables or the features of Agraria are

1. Ascriptive status – it means status based on birth or inheritance. Typically Agraria societies use traditional authority based on monarchy or religion, caste etc of a person.

2. Particularistic feature – it means the decision making is narrow, inward looking and for particular interest.

3. Diffused – it is when one structure or institution is expected to perform many or even all the functions.

Features of Industria society

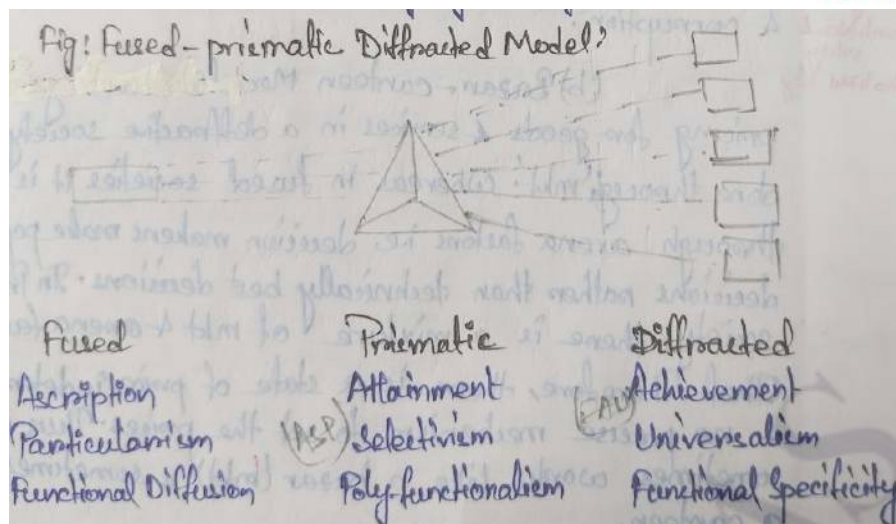
1. Achievement – In Industria society, status is conferred based on merit and actual achievement of a person

2. Universalistic – decision making is broad based, outward looking and for universal collective interest

3. Functional specificity – it is when one structure or institution performs just one or few related functions.

In 1957, Riggs expanded this two fold typology by adding a third and intermediate category namely transitia. He had in mind mainly modern Thailand and Philippines. These societies are in transition from agraria to industria.

Later, Riggs abandoned the agraria-transitia-industria classification and replaced it with a more refined typology namely Fused-Prismatic –Diffracted. This typology was better and more analytical because the intermediate category was given maximum attention.



Prismatic Sala Model

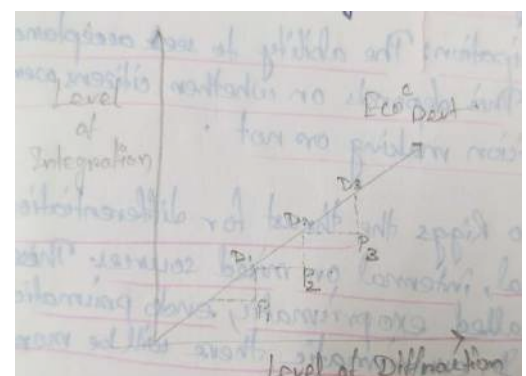
The word Sala is from Spanish meaning Office or Room. Riggs used this term to describe the administrative subsystem of prismatic society. The features of prismatic societies and their Salacracy are

- Heterogeneity** – Riggs defines this as co-existence of different kinds of systems, practices and view points. Thus old and new, orthodox and progressive, conservative and liberal, leftist and rightist etc are co-existing.
- Formalism** – It is defined as difference between what is formally prescribed and what is effectively practised. Rules and norms are not really followed objectively and uniformly
- Overlapping** – It is the result of heterogeneity and formalism. This overlapping can be seen in following ways
 - Poly-communalism or Clects** – A clect is defined as an interest group based on community, caste or ethnicity. According to Riggs, the membership to these clects is based on ascriptive status. The member develops a loyalty towards his clect and his loyalty is more towards his clect rather than towards govt or ordinary citizens. This particularistic behaviour leads to subjectivity and corruption.
 - Bazar-Canteen model** – According to Riggs, pricing for goods and services in a diffracted society is done through 'market', whereas in fused societies it is done through arena factors i.e decision makers make populist decisions rather than technically best decisions. In prismatic society there is a mixture of market and arena factors and therefore there is a state of price in determinism – no precise mechanism to set the prices. Thus economy sometimes works like a bazar and sometimes like a canteen.
 - Poly – Normativism** – According to Riggs, there is norms overlap in prismatic societies where multiple set of norms keeps co-existing. As a result there is normlessness. For ex- RTI and official secrets act co-exist in India. Interestingly Riggs argued that there is an irony in prismatic society where even the public is poly-normative. It follows one set of norms in a particular situation and totally different norms in a different situation. For ex – citizens are willing to pay bribe where they can afford but they criticize bribery when they cannot afford to pay it.
 - Unbalanced polity** – According to Riggs, in a prismatic society there is overlap between highly decentralised polity and highly centralised bureaucracy. There is often a power overlap and power struggle between elected executive and permanent executive. This is called unbalanced polity. As a result, the sala officials have following features –
 - Usurpative tendencies: an attempt to dominate policy making
 - Conservative tendencies: saving their skin first even if it amounts to doing nothing
 - Sine curist tendencies: attempt to get maximum benefits while doing the least

Prismatic society – Revisited

In a later study, Riggs further analysed prismatic societies and he came up with following extra explanations

- a switch from 1D model to 2D model i.e describing societies not only on basis of differentiation/diffraction, he now added a new variable – integration. Thus a prismatic society is one which
 - is not completely diffracted or
 - fully diffracted/differentiated but mal-integrated
- Dilemma of development – by this concept, he meant that there can be a conflict of choices because



- a) for greater development, greater differentiation is a necessity
- b) but greater differentiation does not automatically lead to greater integration. Therefore there is bound to arise a transitional period where more differentiation will create more heterogeneity, more formalism and more overlap. Thus some societies may take a conservative approach and some may take adventurous approach to development. Riggs was of the opinion that very often a conservative approach is taken.
- 3) two conditions for integration
- a) Penetration – it refers to the extent to which govt is able to successfully implement new social structures, public policies on a widespread basis all over the country.
- b) Participation – the ability to seek acceptance from citizens. This depends on whether citizens were involved in decision making or not.
- 4) According to Riggs, the thrust for differentiation comes from external or internal or mixed sources. These societies are called exo prismatic, endo prismatic and equi prismatic. In exo prismatic, there will be more of heterogeneity, formalism and overlapping.

Critical appraisal

1. One way interaction with ecology

- Riggsian model explains how ecology affects administration but the other direction of interaction is left undescribed. R.C. Tilman argued that like ecology affects administration, the converse can also be true.

2. Ethno-centric bias

Comparative studies in pub ad started with the argument that classical theories were ethno centric but Riggs also suffers from same ethno-centric bias.

- a) he presents prismatic societies in a negative light only and diffracted societies in a positive light only. As a result, diffracted or developed societies are presented as ideal or desirable societies. Thus instead of a neutral comparison, Riggs carries out a critical comparison. In this context, Michael Munro, an American expert, argued that prismatic societies should not be necessarily seen as deviant behaviour. He demonstrated that American society which Riggs has taken as a reference point for a diffracted society also suffers from so called prismatic trades- immorality, bad economics, inefficiency, business lobbies, tax loopholes and rent seeking behaviour. Riggs considered diffracted societies as collection of virtues only.
- b) Similarly Jose Abueva carried out studies in Philippines which was also one of the countries studied by Riggs as a reference point for prismatic societies. According to Jose Abueva, even prismatic societies can show tremendous levels of development which Riggs considers as sole monopoly of diffracted societies.
- c) Critics like E.H. Valson and Milne argued that Riggs was excessively critical of the feature of formalism. According to them, under some conditions, formalism may even be good and desirable. For ex – Clausoffe argued how flexible dilution of rules and norms is much better suited approach in developing countries rather than blind organisational rationality. Valson observed that rejecting formalism as a deviant behaviour makes Riggs non-ecological.
- d) Similarly Michel Crozier argued that the feature of overlapping is not necessarily bad. Sometimes overlapping structures and institutions can be good because there can be a healthy competition among them. Also even if one of them stagnates, the other one can innovate and perform.

3. Status – Quoist recommendations

Some experts in developing countries like Daya Krishna and Hahn Been Lee argued that Riggsian model has a preference for diffraction. It ends up prescribing diffraction as ideal stage. There is a suggestion in Riggsian model that all societies eventually attempt to become diffracted. In such a scenario, diffraction becomes an equilibrium state or final state beyond which change wont be required whereas change is actually a perennial necessity.

Riggs himself criticised classical theories as equilibrium theories. In equilibrium theory, there is no incentive for the variables to move from existing positions. For ex – In SMT, both workers and managers are satisfied with their existing positions because workers get higher wages and management gets higher profits. Similarly in Weberian bureaucracy, stability is achieved by impersonality and rules.

Thus classical theories do not reflect the conditions of society. A society keeps on changing and therefore if organisations do not change themselves according to changing circumstances, they will lose relevance.

Riggs believed that a universal theory is possible only when it is dynamic in nature i.e it must be able to respond to changes within and outside the organisation. Riggs emphasised that his fused prismatic and diffracted societies are static models but changes should be made to make them dynamic. But Riggs failed to explain how changes can be brought to make them dynamic.

Riggs failed to come out with any universal theory of pub ad because

- a) Ford foundation stopped funding the research in CPA
- b) Riggs and other thinkers made some unrealistic assumptions which resulted in their failure. CPA is based on concept of behaviouralism which is its major strength as well as its weakness. Behaviouralism is based on empirical

studies i.e extensive research at ground level to validate the hypothesis but this kind of method/research takes a lot of time, energy, resources and finances. Ford foundation was not willing to fund the research for a long period as they expected immediate outcomes. Formulating universal theories in social sciences is a difficult and time consuming process especially if research method is inductive in nature. Also giving a universal theory using behavioural approach is almost impossible because human behaviour changes according to time, place and situation. Barnard also adopted behavioural approach but he adopted closed systems approach. Barnard talked about satisfaction, contribution, equilibrium within the organisation but Riggs further complicated his theory by adding the dynamics of human behaviour outside the organisation with his ecological approach. A universal theory of pub ad by taking into account ecological approach and behavioural method is almost impossible.

4. Daya Krishna argued that there is no measuring rod through which societies can be arranged into different degrees of fused prismatic and diffracted.

5. There are many countries which do not fall in any of the categories of Riggs. For ex – Arab countries – they have high levels of diffraction and integration, but at the same time they have traditional authority system i.e monarchy, there is no rule of law but high standards of life

Contributions of Riggs

1. He expanded the scope of discipline of pub ad. Earlier, studies in pub ad were restricted only to the problems of US and other developed countries. With Riggs, pub ad truly became universal. For the first time, problems of developing countries were also analysed.

2. Provided solution to the problem of science of administration. He said that universal theories are possible only when ecological factors are considered. Even third minnbrook conference 2008 suggested comparative approach to study pub ad.

3. Development administration which focuses on challenges faced by developing countries has its origins in Riggsian CPA.

4. Public policy analysis which became the locus as well as focus of pub ad from 1970s onwards was also influenced by Riggsian CPA.

5. Contribution of Riggs can also be seen in the functioning of bureaucracy. He explained clearly why bureaucracy in developing countries is inefficient by using his ecological approach.

The decline of Comparative Administrative Group (CAG)/CPA

1. According to Nikolas Henry, CPA focused on knowledge for the sake of knowledge, rather than knowledge for the sake of solving practical problems i.e it was too academic.

2. The main reason for the decline of CPA and CAG was that it set unattainable goals and therefore had a self imposed failure – this was by Robert Golembiewski. The unattainable goal which he is hinting was pursuit of one grand theory through a series of theory testing and theory building. As a result of this pursuit, not only CAG became too academic, but also got lost in this unrealistic pursuit.

3. Peter Savage – “CPA failed because it started with no paradigm or model of its own and developed none”. What he is hinting is that CPA movement did not offer any model of its own. It was only testing the pre existing models. However, this criticism is not fully correct because CPA started with no paradigm but eventually Riggs gave his prismatic sala model.

4. Ending of ford foundation funding

5. Loss of interest due to ending of Vietnam war

6. With NPA, focus shifted to post behaviourism with emphasis on values and action orientation.

Current Status of CPA

1. In 1980s there was a revival in interest of CPA because of LPG. The effect of globalisation has not been seen on all the countries. Some countries benefitted while others were adversely affected.

2. The concept of good governance which became popular after World Bank report is nothing but a comparison between developed and developing nations.

3. In 1981, Charles Goodsell in his article recommended supranational and subnational approaches to carry out comparative studies.

Diff between 1960s and 1980s CPA

1960s	1980s
1. focus only on govt institutions	also on non-govt institutions
2. development administration	development management

3. national bureaucracies	international bureaucracies
4. studied only national organisations	both national and international
5. no globalization	globalization as a major component of cpa
6. lack of empirical data for theory building	knowledge explosion



Systems theory of Organisation

The idea of systems came to organisational theory from general system theory which was being used in many disciplines especially biological sciences where an organism is seen as a system and its ecology is seen as supra system

The initial work on the concept of system in the organisation was done by thinkers like Mary Parker Follett and Chester Barnard. In 1950s, general systems theory was applied to organisations by initial work of Ludwig von Bertalanffy

Meaning and Characteristics of a System

A system refers to a complex whole having several sub parts which are distinct yet interdependent. In the context of an organisation, the concept of system means an organisation has many elements like men, money, machine, material, methods etc; Each element is important but more important is their collective functioning.

- Modern theories of organisation started around 1950s and sought to amalgamate and synthesize the diametrically opposite suggestions of classical theories on one hand and neo classical especially Human relations theory on the other hand. These theories adopted one sided either- or approach where too much emphasis was given to one sub system and the other was relatively neglected
- Systems approach focuses on balance of the two concerns rather than considering them as mutually exclusive. In other words, systems approach seeks to resolve rationality vs happiness dilemma.

Features of a System

- System is a complex entity. It is complex because it has many subsystems which are distinct but interdependent and may not unite. There is a natural tendency to disorganise and disintegrate known as entropy.
- It is made up of parts called subsystems. Each part or subsystem contributes to the system individually as well as collectively. As a result, success of system is dependent on not only individual contribution from each subsystem but more importantly their balanced integration.
- Subsystems have negative energies like sub unit goal internalisation i.e over emphasis on one subsystem and neglect of others.
- A system has a boundary which separates it from its environment or the outside world or the suprasystem. However despite the boundary there is interdependence and interactions between organisation and its environment. Thus systems approach argues that for the success of organisation, there should be integration of all its sub systems or components and none of the sub system should be neglected or overpowered by others. If any one subsystem is given excessive importance, it may dominate other sub systems leading to entropy or disintegration. Entropy in systems theory is defined as a negative energy which is opposite of binding energy. Systems thinkers like Norbert Weiner believed that a system has a natural tendency towards disorganization, disintegration and eventual demise.

On the contrary, if the sub systems are given a balanced emphasis such that they have internal equilibrium, the system benefits from internal elaboration. Internal elaboration is defined as a situation where sub systems are internally integrated, balanced emphasis is given to them and they operate in equilibrium and as a result the performance gets elaborated i.e the sum of their performances is more than simple aggregate of individual performances. This is also known as synergy or internal elaboration or Gestalt. The term negative entropy is used as reverse of entropy. It is actually a positive term which represents binding energy or the glue which keeps the sub systems mutually integrated. Later more positive sounding terms such as negentropy or syntropy were used in place of negative entropy. The internal equilibrium is dynamic i.e it is an ongoing and continuous process. Even if once the internal equilibrium is achieved, any change in any of the sub systems will disturb it and therefore a new stage of next dynamic equilibrium has to be searched and achieved through internal adaptation.

Closed and Open systems

Boundaries are non permeable in closed systems and permeable in open systems

No exchange of energy in closed system and presence of exchange of energy in open systems

Closed systems are not dependent on environment whereas open systems are dependent on environment

System is self contained in closed system and dependent in open system

In General systems theory, diff between closed and open systems was described in terms of mechanical systems vs biological systems. Mechanical systems like machines or robots normally do not interact with environment and they are self contained, with closed boundaries. However in modern times even mechanical systems are not as closed as they used to be.

Biological systems i.e living organisms are described in general systems theory as open systems. As a natural extension, general systems theory argued that organisations are also open systems because an organisation is nothing but collection of organisms. Chester Barnard defined organisation as cooperative social system.

Organisations are by nature open systems and may temporarily function as closed systems.

Concept of Environment or Ecology

No organisation can work in vaccum. There is always a context or ecology or enviroment of the organisation. It can be called as supra system. Its components can be

1. Technological environment
2. Market environment
3. Economic or competitive environment
4. Government or regulatory environment

Thus not only the success of an organisation but even its survival can be endangered if an organisation does not adapt to environment.

In public administration, scholars of comparative pub ad like Riggs etc realised that the country's administrative system also has its supra system consisting of political environment, social environment, stage of economic development and legal environment.

Various jargons or concepts of system theory

1. Cybernetics

System>output.....>environment.....>feedback.....>system

Norbert Weigner gave his cybernetics theory which refers to a systems adaptation to the environment via an environment feed back mechanism. The term cybernetics means to steer. There is a circular relationship between system, the environment and the system. The environment sends the feed back based on the stimulus given by the system to it. The changes happening in environment are relayed to the stimulus by feedback. Thus in a way cybernetics operates as a control mechanism and is called cybernetic control.

2. Concept of environment as systems constraint

According to C.West Churchman, environment acts as a constraint on system because

- a. The system cannot ignore its environment
- b. cannot dominate its environment
- c. cannot do anything contrary to the environment

Further the environment is unpredictable, complex and volatile and therefore organisations or systems are constrained in their functioning because often they cannot keep pace with such volatility. Thus good organisations are always in search of dynamic environmental equilibrium known as Homeostasis. In this context it is often argued that organisations are open systems, striving for closure.

Contingency theory

It is a logical extension of systems theory as the second branch of modern theories of organisation. It is known by various names such as

1. Contingency theory

It argues that organisation and its success is contingent upon its environment. C.West Churchman describes this in form of environment as systems constraint. The contingency approach makes it necessary that an organisation interacts with, understands and adapts to its environment otherwise its growth and even survival is at risk.

2. Situational theory

Situation is supreme and not the organisation. This is also called law of situation. It is the environment or situation which calls the shots and not organisation. Therefore an organisation cannot be rigid in its methods on the logic of one best or universal principles. Situation will decide whether your work methods are good or bad and not you. It is for this reason that modern theories are also called situational design theories or flexi design theories rather than universal design theories.

3. Eclectic approach

It means an idea integration approach rather than using lopsided ideas like only classical ideas or only neo classical

ideas.

4. If-Then model

Given by Lawrence and Lorsch. They have described that an organisation is contingent upon its environmental situation.

Environment 1 – Stable environment, routine tasks, old organisation and mature employees. This organisation may adopt rigid and mechanical structure as recommended by classical theories.

Environment 2 – unstable environment, non-routine tasks, new organisation, not mature employees. Here the organisation has to adopt a flexible structure.



Accountability & Control

Concepts of accountability and control

Accountability Oxford dictionary defines accountability as "liable to be called to account, responsible to/for".

The concept of accountability means an obligation of administrator to give a satisfactory account of their performance and the manner in which they exercise powers given to them.

Objectives:

- To check wrong and arbitrary administrative actions.
- To increase efficiency and effectiveness of administration.
- To check Corruption.

According to Piffiner, accountability is the formal and specific location of responsibility, it is formal and works from with-out (externally). Responsibility has a personal connotation; it works from within.

Control

Administrative accountability is enforced by means of various controls. The purpose of control is to ensure that public servants exercise their powers and discretion as per laws, rules and regulations. Absence of control means lack of accountability which leads to corruption.

Administrative controls are of 2 types. The internal techniques of control are:

- a) Budgetary system
- b) Personnel management
- c) Efficiency evaluation Hierarchy
- d) Annual performance review (APR)
- e) Internal audits/ accounting

External control over administration is by:

- a) Legislature
- b) Executive
- c) Judiciary
- d) Citizens
- e) Media

Control on administration by L, E & J

Legislative control

Legislative control over administration is indirect, that is, through ministers. Public administrators can't be directly held accountable. They are protected by responsibility. They Legislature controls the administration via remain anonymous. ministerial responsibility. The tools or methods are:

- A. By making laws, legislature determines structures, powers etc of administration. Administration has to work within framework of law. Parliaments also check the rules and regulations made by executive in exercise of

delegated legislation.

B. Question hour:

- I. Starred questions: oral answers, supplementary questions allowed.
- II. Unstarred questions: written answers, supplementary questions not possible.
- III. Short notice questions: notice of less than 10 days given to the minister, oral answer.

C. **Zero hour:** it is an Indian innovation, held just after the question hour, the presiding officer may allow zero hour (not compulsory).

D. **Adjournment motion:** it is not given in Col, moved by at least 50 MP, not in RS.

E. **No confidence motion:** extra-constitutional, only in LS, if passed as per the contains any urgent matter of public importance conventions, government has to resign

F. Budget

G. Public accounts committee (PAC)

H. Estimates committee

Limitations of legislative control:

- a) Lack of time and expertise
- b) Budget is too technical
- c) Use of guillotine.
- d) Lack of strong opposition.
- e) Use of ordinances by executive.

Executive control

Executive control over administration is continuous as well as direct as against parliament's control. The tools are:

- a) Policy making and political direction.
- b) Budgetary control.
- c) Personnel management-appointment and removal.
- d) Ordinances.
- e) Civil services conduct rules.

Judicial control

The basis of judicial control over administration is rule of law. The judiciary intervenes in administrative acts in following cases:

- a) Over-feasance: excess of authority, that is, when an administrator acts without authority or beyond the scope of his authority.
- b) Misfeasance: error of law, that is, mis-interpretation of law.
- c) Malfeasance: abuse of authority.
- d) Error of procedure that is, not following the laid down procedure.
- e) Judicial review: Supreme Court under article 32 and high courts under article 226 enjoy powers of judicial review.

- f) Citizens can file suits against government under article 300. Writ jurisdiction: habeas corpus (locus standi doesn't apply), mandamus, quo-warranto, certiorari, prohibition.

Role of media

Media comes from the word medium. It acts as a medium of communication between government and citizens. Media has broken the silos of bureaucracy because today, ordinary citizens can have access to information. Media is popularly called fourth pillar of democracy Its role is not only to give news but also fair views to the citizens. Media evolved in the background of the excess by state. Media has remained an instrument of propagating rights of citizens. On one hand, media communicates to people the decisions and policies of government, on the other hand, it communicates to government people's problems and expectations.

A strong and independent media is necessary for:

- a) A vibrant democracy.
- b) To hold government and administration accountable.
- c) Contribution in policy making and effective implementation Brings transparency in administration.

An independent media can also expose corruption and irregularities in administration. Media acts as a mirror of society. Freedom of media/press is guaranteed under article 19 (1) A. In modern times, there has been expansion of media. Media today is not only in print form but also electronic and social form. Social media has redefined the role of media and brought a paradigm shift such that today, everybody is media.

Social media has following characteristics:

- a) Fast and convenient.
- b) Cheap
- c) Global in nature.
- d) Can easily spread rumours and fake news.
- e) Many social media companies may not have servers in India.
- f) Spread doctored information or pictures.

However, social media has given citizens a platform to exercise their freedom of speech and expression. It has become a voice of voiceless. It has created awareness among people.

Problems with media:

- a) Loss of independence of media. Media today is highly commercialised, politicised and corporatized,
- b) Spread of fake news, paid news and propaganda.
- c) Decline in quality of journalism.
- d) Media trial.
- e) Lack of regulation of media.

Not only in India, but the quality of media has declined all over the world. There is a need to establish media regulatory authority so that the functioning of media is made transparent and regulated in terms of:

1. Funding
2. Journalistic quality
3. Regulation of advertisement and news content.
4. Penalising media for violating the norms and standards.

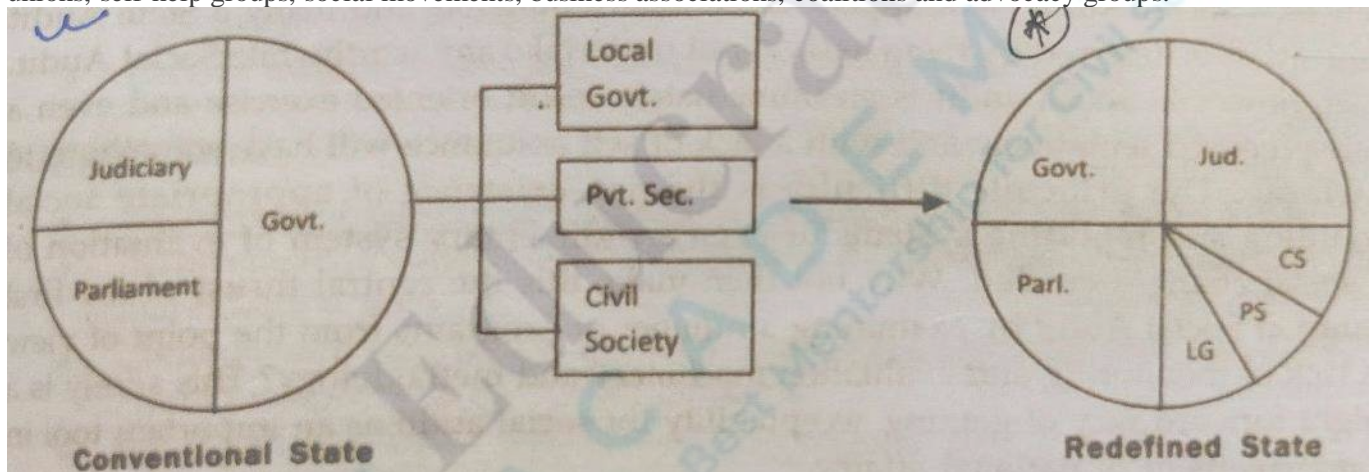
Social media needs to be regulated to ensure that it doesn't become a threat to India's democracy. Without compromising the independence of social media, it should be working within defined framework.

Civil society/interest groups/voluntary organisations

Across the globe, 1990s have witnessed the rise of a movement called Civil Society which has profoundly affected and altered social political and economic dimensions of states all over. Civil Society, though not a novel phenomenon, has been reinvented in 1990s primarily as reaction to the disillusionment with state led development. Diamond defines Civil Society as. "the realm of organized social life that is voluntary, self-generating, largely self-supporting and bound by a legal order or a set of shared values". Civil Society is a component of society separate from market and state. The dynamic interplay between these three components decides the nature of governance and development in a country.

Civil society is composed of the totality of voluntary civic and social organizations and institution that form the basis of a functioning society as opposed to the force-backed structures of a state, (regardless of that state's political system) and commercial institutions of the market.

Civil society refers to the arena of uncoerced collective action around shared interests, purposes and values, In theory, its institutional forms are distinct from those of the state, family and market, though in practice, the boundaries between state, civil society, family and market are often complex, blurred and negotiated. Civil society commonly embraces a diversity of spaces, actors and institutional forms, varying in their degree of formality. autonomy and power. Civil societies are often populated by organizations such as registered charities, non-governmental organizations, community groups, women's organizations, faith-based organizations, professional associations, trade unions, self-help groups, social movements, business associations, coalitions and advocacy groups.



Role of Civil Society

The role of Civil Society in the governance and development of a country can't be overstated. This fact has been well brought out by Robert Putnam in his "Social Capital Approach". His idea is that society based on labor and capital determines the success and failure of the governance. To him, social capital refers to level of community awareness and other socio-cultural linkages to identify various unsolved social problems. Thus, civil society represents the general conscience of the population and acts as a bastion of good governance and development.

1. Watch Dog - Human Rights violation and governance deficiencies
2. Advocate Of the weaker sections' point of view
3. Agitator - On behalf of aggrieved citizens. (Narmada Bachao Andolan)
4. Service Provider - For people not reached by government, private sector-
5. Educator Of Rights, entitlements to people, transmit pulse of the people to government
6. Mobilizer-of public opinion

Civil Society's role in good governance

1. Promotes democracy

- Checks the power of state & executive Ensures that power is not held captive by few
 - Stimulates political participation
 - Multiplies demands on state
 - Resists authoritarianism
2. Improves the quality of aid & livelihood of poor
 3. Promotes sustainable development
 4. Promotes transparency & accountability (MKSS, Parivartan)
 5. Brings marginalized sections into mainstream
 6. Enhances civic competence and social capital
 7. Replaces rigid, rule driven bureaucracies by mission-oriented organizations
 8. Increases role of NGOs
 9. Promotes Bottom-up democracy
 10. Helps fight against negative effects of globalization
 11. Promotes administrative reforms
 12. Enhances people's participation
 13. Increases administration's responsiveness
 14. Promotes equity
 15. Makes development inclusive
 16. Sustains democratic decentralization
 17. Improves efficiency and effectiveness of administration.
 18. They help admin machinery in identifying target groups.
 19. They facilitate usage of local resources for local development & thus the communities self-reliant.

Civil Society's Role in Development Administration

- Role in agenda setting
- Recognition generation
- Plan formulation Plan implementation
- Review and evaluation
- Sharing benefits

Civil Society's Role in Public Policy

- Planning - open to whole country Budgeting - different groups
- New laws (RTI)- through agitation
- Through PIL & SC judgements

Examples of Civil Society Institutions

Academia
 Activist groups
 Charities
 Citizens' militia
 Civic groups Clubs (sports, social, etc.)
 Community foundations
 Consumers/consumer organizations
 Cooperatives
 Cultural groups
 Environmental groups
 Foundations
 Intermediary organizations for the voluntary and non-profit sector
 Men's groups

Non-governmental organizations (NGOs) Non-profit organizations (NPOs)
 Policy institutions
 Private voluntary organizations (PVOs) Professional associations
 Religious organizations
 Support groups
 Trade unions
 Voluntary associations
 Women's groups

Negatives & Limitations

Anti-statism Loose definition
 Sometimes work against governments
 Even fundamentalist organizations are a part of civil society
 Sub national and ethnic ideas rising Can promote Particularism
 Can be destructive when the State is weak
 Politicization of civil society
 Corruption in NGOs
 Parochial interests
 Financial Irregularities
 Organised crimes
 Bureaucratic hindrance
 Lack of sufficient financial resources
 Inadequate information base
 Diverse socio-economic environment Lack of unity Divisive
 Political interference
 Limited functional perspective (not holistic)

Citizen charter

Representative democracy along with colonial bureaucracy meant that there is absolutely no scope for participation of citizens in governance. Traditionally, public administration has been centralised and top down. Bureaucracy played major role in formulating, implementing and evaluating public policies as part of bureaucracy centric development. This kind of development model leads to failure of development administration and the main reasons were:

- a. Absence of participation by citizens in policy formulation.
- b. Bureaucracy wasn't accountable to people with respect to its performance.
- c. Bureaucracy has been only morally responsible to the people and not legally accountable.

In UK, PM John Major introduced CC in early 1990s to ensure accountability of bureaucracy.

Origins of citizen charter

and participation of people in governance. These CCs became extremely popular and successful as they created awareness among people and bureaucracy was willing to fulfil the promises made in CC even though CCS in voluntary in nature. In India, PM's conference in 1997 thought introduced CCs to tackle the problem of corruption. However, like other reforms, citizen charters were implemented only in letter and not in spirit.

Problems with CCs in India

1. CCs should be drafted in a democratic manner by consulting all the stakeholders. In India, citizen charter as a term is a misnomer because at best, they can be called 'bureaucratic charters. Only the top bureaucrats in every department formulate the charters.
2. CCs in India aren't legally enforceable and therefore, public agencies don't take the charters sincerely.
3. Lack of incentive mechanism because performance of bureaucracy in implementation of CC has no impact on their salary, promotions, transfers etc.
4. 2nd ARC in its report on Citizen Centric Administration observed that CC's are nothing but pious statements with noble intention but lacking any practical significance. CCs are drafted in such a manner that bureaucracy can never be made accountable for its performance. For example, the standards of services promised are unclear, vague and not quantifiable.
5. Illiteracy is a hurdle. Often charters are drafted only in English language which excludes majority of rural population.
6. Colonial attitude of bureaucracy such that civil servants don't consider themselves as servants of people. This

attitude prevents them from appreciating the spirit of CC.

7. Absence of effective grievance redressal mechanism. If citizens are unhappy with implementation of CC, the complaint mechanism isn't effective. This is similar to bureaucracy during British times as laws and rules were made deliberately such that bureaucracy was never accountable to citizens.

8. Lack of awareness among citizens.

Solutions

1. Salaries, promotions etc of civil servants should be linked to CCs.
2. CCs should be made legally enforceable.
3. Training to public officials to make them capable of fulfilling citizen charters.
4. Adopting quantifiable performance indicators.
5. Increased availability of information to the people.
6. Evaluation of implementation of CCs by third parties- social audit committees, civil society organisations.

Department of Administrative Reforms has adopted Sevottam model to realise objectives of citizens centric governance. It has 3 components:

- a. Citizen charter
- b. Effective grievance redressal mechanism
- c. Improving capacity of bureaucracy in implementing charter

In present times, the CCs have been transformed into people's charters and further into precariat charters. Precariat is a social class formed by people suffering from precarity, that is, uncertainty, lack of job security, inequality. Guy Standing in his book precariat charter discusses how political, civil, social and economic rights have been denied to precariat.

Public administration exists not only to serve the citizens to have paying capacity but also the precariat class. Thus, precariat charter tries to address all demands of precariat. These precariat charters are formulated by stakeholders themselves.

Right to Information

Right to information legislation represents the fundamental right-to-know legal process by which requesters may ask for government held information and receive it freely or at minimal cost, barring standardized exceptions. Also, variously "referred to as open records or (especially in the United States) sunshine laws, governments are also typically bound by a duty to publish and promote openness.

In many countries there are constitutional guarantees for the right of access to information, but usually these are unused if specific legislation to support them does not exist. Over 85 countries around the world have implemented some form of such legislation. Sweden's Freedom of the Press Act of 1766 is thought to be the oldest.

A basic principle behind most right to information is that the burden of proof falls on the body asked for information, not the person asking for it. The requester does not usually have to give an explanation for their request, but if the information is not disclosed a valid reason has to be given.

Evolution of RTI (International)

- (Article 19) of Universal Declaration of Human Rights, 1948: Recognizes the Right to Information
- Sweden (1766): First country to guarantee RTI to its citizens. Constitution itself declares that citizens shall have free access to information subject to only some restrictions.
- Finland (1951): Law on the right to information on publicity of document France (1978): Commission on Access to administrative documents
- Norway/Denmark (1970,1985): Statutory RTI

- United States: Foundation of openness and RTI lay in constitutional fundamental right of free speech. Provided in the Freedom of Information Act (1960), Privacy Act (1974) and Government. In The Sunshine Act (1976)
- Canada: Freedom of Information Act, 1986 Provides complete procedure of disclosure of information to person and requires all government departments to maintain a register providing the kind of information which is available to public and make it available
- Australia, New Zealand: Freedom of Information Act, 1982
- South Africa (1996): Constitution provides RTI as a fundamental right Public
- Great Britain: Freedom of Information Act, 2000- Provides general right of public access to all types of recorded information by public authority with some exemptions.

RTI Evolution (India)

- Constitution does not explicitly provide Right to Information but it is provided implicitly u/A 19(1)(a).
- India has also ratified the Universal Declaration on Human Rights whose Art 19 also provides for RTI
- In the case State of UP vs Raj Narain, the Supreme Court observed that People are entitled to know the particulars of any public transaction. The court put forward the idea of "Right to know".
- Supreme Court in SP Gupta vs. UOI case stressed that disclosure of information must be the general rule and secrecy must be an exemption.
- Supreme Court in Dinesh Trivedi vs UOI emphasized that right to know is axiomatic in modern constitutional democracies. Art 21 is meaningless without Right to information. Bhopal Gas Tragedy could have been avoided if people had been provided complete information about the hazards of the plants and protective measures
- Mathew Commission (1982): Emphasized Right to know V PC (1994-97): Recommended abolition of Official Secrets Act and introduction of RTI.
- 1995: Press Council of India brought out the first blue print of RTI
- 1997: Government of India decided to introduce RTI-States enacted their RTI Acts.
- 1997: (Shourie Committee Another draft on RTI 2000: Freedom of Information introduced and enacted but never notified.
- 2005: RTI finally enacted and notified.

The Indian Parliament passed the Right to Information Act which came into force in October 2005. This Act applies to the whole of India except the State of Jammu and Kashmir. The object of the Act is to ensure that all citizens are able to seek information which is under the control of any Public Authority. The idea is to give transparency accountability and openness in Government Administration. At Present, the Government Administration functions under a halo of secrecy, lack of transparency and unwillingness to divulge information and an ordinary citizen is unable to get information that he wants from the Public Authority. This Act seeks to ensure his right to information. The right to Information Act will have supremacy over the Official Secrets Act or any other law.

The right to information is available only to the citizens of India. This right includes the right of inspection of the works, documents or records, taking notes or copies of documents or records. The information can be sought from any Public Authority under the Central Government or any State Government or institutions controlled or funded by them unless these are excluded from the purview of information under the Second Schedule of the Act.

State-level laws

The RTI Laws were first successfully enacted by the state governments-Tamil Nadu (1997). Goa (1997), Rajasthan (2000), Karnataka (2000), Delhi (2001), Maharashtra (2002), Madhya Pradesh (2003), Assam (2002) and Jammu and Kashmir (2004). Jammu & Kashmir has its Right to Information Act of 2009, the successor to the repealed J&K Right to Information Act, 2004 which was amended in 2008.

Scope

The Act covers the whole of India except Jammu and Kashmir. It is applicable to all constitutional authorities, including the executive, legislature and judiciary, any institution or body established or constituted by an act of Parliament or a state legislature. It is also defined in the Act that bodies or authorities established or constituted by order or notification of appropriate government including bodies "owned, controlled or substantially financed" by government or non-Government organizations "substantially financed, directly or indirectly by funds" provided by the government are also covered in the Act's ambit.

Private bodies are not within the Act's ambit directly. However, information that can be accessed under any other law in force by a public authority can also be requested for. In a landmark decision of 30 November 2006 (Sarabjit Roy vs DERC), the Central Information Commission also reaffirmed that privatized public utility companies continue to be within the RTI Act- their privatization notwithstanding The Act also explicitly overrides the Official Secrets Act and other laws in force on 15 June 2005 to the extent of any inconsistency.

The Act specifies that citizens have a right to:

- request any information (as defined).
- take copies of documents,
- inspect documents, works and records.
- take certified samples of materials of work.
- obtain information in form of printouts, diskettes, floppies, tapes, video cassettes in any other electronic mode or through printouts.

Information defined

Information has been defined as any material in any form including records, documents, memos, e-mails, opinions, advices, press releases, circulars, orders, logbooks, contracts, reports, papers, samples, models, data material held in any electronic form and information relating to any private body which can be accessed by a public authority under any other law for the time being in force.

Process

Under the Act, all authorities covered must appoint their Public Information Officer (PIO). Any person may submit a request to the PIO for information in writing.

It is the PIO's obligation to provide information to citizens of India who request information under the Act. If the request pertains to another public authority (in whole or part), it is the PIO'S responsibility to transfer forward the concerned portions of the request to a PIO of the other within 5 days. In addition, every public authority is required to designate Assistant Public Information Officers (APIOs) to receive RTI requests and appeals for forwarding to the PIOs of their public authority. The citizen making the request is not obliged to disclose any information except his name and contact particulars.

The Act specifies time limits for replying to the request.

- If the request has been made to the PIO, the reply is to be given within 30 days, of receipt.
- If the request has been made to an APIO, the reply is to be given within 35 days of receipt.
- If the PIO transfers the request to another public authority (better concerned with the information requested), the time allowed to reply is 30 days but computed from the day after it is received by the PIO of the transferee authority.
- Information concerning corruption and Human Rights violations by scheduled Security agencies (those listed in the Second Schedule to the Act) is to be provided within 45 days but with the prior approval of the Central Information Commission.
- However, if life or liberty of any person is involved, the PIO is expected to reply within 48 hours.

If information is not provided within this period, it is treated as deemed refusal. Refusal with or without reasons may

be ground for appeal or complaint. Further, information not provided in the times prescribed is to be provided free of charge.

Exemptions

The following is exempt from disclosure:

- Information, disclosure of which would, prejudicially affect the sovereignty and integrity of India, the security, "strategic, scientific or economic interests of the Stated-relation with foreign State or (Tead to incitement of an offence;
- Information which has been expressly forbidden to be published by any court of law or tribunal or the disclosure of which may constitute contempt of court;
- Information, the disclosure of which would cause a breach of privilege of Parliament or the State Legislature: Information including commercial confidence, trade secrets or intellectual property. the disclosure of which would harm the competitive position of a third party, unless the competent authority is satisfied that larger public interest warrants the disclosure of such information;
- Information available to a person in his fiduciary relationship, unless the competent authority is satisfied that the larger public interest warrants the disclosure of such information: Information received in confidence from foreign Government;
- Information, the disclosure of which would endanger the life or physical safety of any person or identify the source of information or assistance given in confidence for law enforcement or security purposes;
- Information which would impede the process of investigation or apprehension or prosecution of offenders;
- Cabinet papers including records of deliberations of the Council of Ministers, Secretaries and other officers;
- Information which relates to personal information the disclosure of which has no relationship to any public activity or interest or which would cause unwarranted invasion of the privacy of the individual (but it is also provided that the information which cannot be denied to the Parliament or a State Legislature shall not be denied by this exemption);

Notwithstanding any of the exemptions listed above, a public authority may allow access to information, if public interest in disclosure outweighs the harm to the protected interests.

Exclusions

Central Intelligence and Security agencies specified in the Second Schedule like IB, RAW, Central Bureau of Investigation (CBI), Directorate of Revenue Intelligence, Central Economic Intelligence Bureau, Directorate of Enforcement, Narcotics Control Bureau, Aviation Research Centre, Special Frontier Force, BSE, CRPF, ITBP, CISF, NSG, Assam Rifles, Special Service Bureau, Special Branch (CID) Andaman and Nicobar, The Crime Branch-CID-CB. Dadra and Nagar Haveli and Special Branch, Lakshadweep Police. Agencies specified by the State Governments through a Notification will also be excluded. The exclusion, however, is not absolute and these organizations have an obligation to provide information pertaining to allegations of corruption and human rights violations. Further, information relating to allegations of human rights violation could be given but only with the approval of the Central or State Information Commission.

Branch-CID-CB. Dadra and Nagar Haveli and Special Branch, Lakshadweep Police. Agencies specified by the State Governments through a Notification will also be excluded. The exclusion, however, is not absolute and these organizations have an obligation to provide information pertaining to allegations of corruption and human rights violations. Further, information relating to allegations of human rights violation could be given but only with the approval of the Central or State Information Commission

Information Commission

The Act provides for establishment of Central Information Commission and State Information Commissions. The Central/State Information Commission receives complaints regarding the inability to submit application for information, refusal of information requested, delay in giving the information by the officials, unreasonable fee charged for the information etc. The Information Commission acts as a redressal valve in ensuring that the authorities under the Act carry out their duties and functions properly and the citizens' right to information is safeguarded.

The Central Information Commission consists of one Chief Information Commissioner and not more than ten

Information Commissioners who are appointed by the President of India from amongst persons of eminence in public life with wide knowledge and experience in law, science and technology, social service management, journalism, mass media or administration and Governance.

The Appointment Committee for these Commissioners consists of the Prime Minister of India, Leader of the Opposition in the Lok Sabha and one Union Cabinet Minister.

The Information Commissions have the powers of Civil Courts and are appellate authorities against the decisions of the Public Information Officers. The citizens have right of second appeal and also can approach the High Courts under their Writ-jurisdiction.

Issues with RTI, 2005

- Appointment of State Information Commissioners and Central Information Commissioners is partisan. Leader of Opposition is not consulted.
- Many States Information Commissions have still not been created even after 4 years of RTI Act. E.g., Bihar, Jharkhand, Manipur, Sikkim. Arunachal Pradesh and Mizoram Information is presented in a mystified and technical manner by government departments.
- Application of RTI to judiciary very limited.
- Application of RTI to legislatures also very limited.
- Maintenance of information not automated and not efficient.
- Suo-moto disclosure mandated under the Act is not being done properly Awareness of the Act is low among masses (section 4 of the act).
- Costs of retrieving information through RTI are high
- Official secrets Act/needs to be repealed as it promotes a culture of secrecy.
- Officials need to be properly sensitized and trained with respect to transparency and accountability concerns of RTI.
- Other Acts, rules, manuals haven't been amended to bring them in congruence with RTI spirit
- RTI hasn't been able to create a climate of transparency as a norm. Rather RTI is being used to get small work done or to threaten or harass
- Right to privacy has not been provided under the Act.
- Bureaucratic pre-eminence in Information commissions results in promotion
- Traditional bureaucratic ethos of secrecy and lack of accountability.
- Many High Courts have made rules exempting themselves from RTI.
- Political parties have been exempted.
- 36 lakh cases pending with CIC

Significance of RTI

- Promotes the idea of popular sovereignty.
- Promotes openness, transparency, accountability in administration.
- Empower citizens to combat corruption.
- Prevents administrative arbitrariness or high-handedness.
- Bridges gap between provides and recipients of public service.
- Makes citizens part of the Decision-Making people's in, the government.

- Strengthens grassroots democracy through people's participation.
- Empowers people to have access to other rights.
- Promotes good governance through Transparency, Accountability, Predictability and Participation.
- Promotes administrative reforms by exposing the weaknesses and gaps in the system.

ARC-II Recommendations

ARC-II has called Right to Information Act the master key to good governance

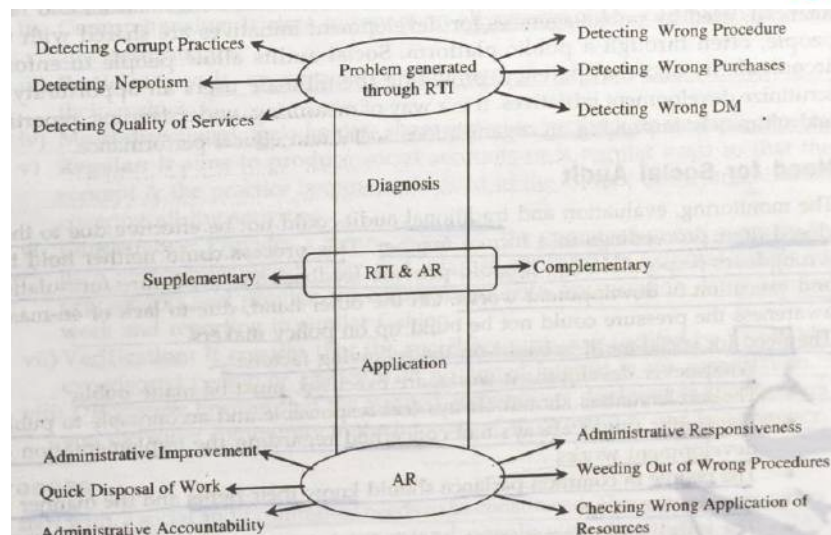
Change in Archaic Laws, Procedures and Practices

1. Official Secrets Act should be repealed and should be substituted by a chapter in National Security Act.
2. Indian Evidence Act, 1872 should be amended to aid disclosure of officially classified information.
3. Civil Service Rule of all states to be reworded - Civil Servant shall communicate all information applicable *under RTI* to public.
4. Manual of Official procedure to be reworded on same line
5. Ministers on assumption of office to take an oath of transparency instead of secrecy. Article 75, 164 and Third Schedule should be suitably amended.

Implementation of the Act

1. Appointment of Central Information Commissioners and State Information Commissioners should be done in a bipartisan manner involving the leader of opposition. Chief justices of SC and HC may also be included.
2. Despite a legal obligation to constitute State Information Commissions, five states - Jharkhand, Manipur, Sikkim, Andhra Pradesh and Mizoram have failed to do so. Commission has recommended constitution of State Information Commissions within three months.
3. Central Information Commissions should be geographically dispersed with at least four regional offices with a commissioner heading each. While regional offices of State Information Commissions should be established in larger states
4. Various sections of society should be adequately represented in the Information commissions instead of preponderance of Civil Servants. At least *half of the members should be non-Civil Servants*.
5. "Application to Private Sector - Institutions that enjoy natural monopoly, or whose functions impinge on citizens lives substantially, must come under *RTI*."
6. Definition of "Substantially Financed" has been taken variously. So, commission has defined it: *Organizations that have received 50% of annual operating costs or a sum > Rs 1 crore during any of preceding 3 years, should come under RTI.*
7. **Application to NGOs:** Information with NGOs having the following characteristics should come under the purview of RTI
 - Substantially financed
 - NGOs having natural monopoly, impinging on citizens lives
 - Any information, if it *were held* by government subject to RTI disclosure, when transferred to NGO will continue to be subject to disclosure
8. **National Coordination Committee (NCC)** should be created and be headed by Central Information Commissioner- This committee will monitor successful implementation of RTI.
9. **Application of RTI to legislature**
 - There should be a tracking mechanism so that action taken by executive branch on CAG reports and other Enquiry Commission reports is available to public and legislators.
 - Working of Legislative- Committees should be thrown open to the public
10. **Application of RTI Act to Judiciary**
 - Records at district court and subordinate courts should be stored in a scientific manner and uniform way.
 - Administrative processes in District and subordinate courts should be computerized in a time bound manner.

RTI and Administrative Reforms



RTI and Administrative Reforms have a mutually reinforcing symbiotic relation

1. RTI ensures transparency, accountability and efficiency which are themselves goals of Administrative Reforms
2. RTI helps in exposing the shortcomings of the system which leads to further Administrative Reforms
3. RTI cannot succeed in its implementation until and unless supported by structural and procedural reforms. Thus, Administrative Reforms are a necessity for RTI success.
4. Requests of information under RTI can help make the civil servants aware of the problems and thus lead to corrective action.

Public Private Partnership

Public-Private Partnership (PPP) describes a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies. These schemes are sometimes referred to as PPP, P3 or P³.

PPP involves a contract between a public sector authority and a private party, in which the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project.

It is purportedly a means of bringing together social priorities with the managerial skills of the private sector, relieving government of the burden of large capital expenditure, and transferring the risk of cost overruns to the private sector. Rather than completely transferring public assets to the private sector, as with privatization, government and business work together to provide services.

In some types of PPP, the cost of using the service is borne exclusively by the users of the service and not by the taxpayer. In other types (notably the private finance initiative), capital investment is made by the private sector on the strength of a contract with government to provide agreed services and the cost of providing the service is borne wholly or in part by the government.

Government contributions to a PPP may also be in kind (notably the transfer of existing assets). In projects that are aimed at creating public goods like in the infrastructure sector, the government may provide a capital subsidy in the form of a one-time grant, so as to make it more attractive to the private investors. In some other cases, the government may support the project by providing revenue subsidies, including tax breaks or by providing guaranteed annual revenues for a fixed period.

Origin & Evolution

There were concerns about the level of public debt, which grew rapidly during the macro-economic dislocation of the 1970s & 1980s. Government sought to encourage private investment in infrastructure, initially on the basis of accounting fallacies arising from the fact that public accounts did not distinguish between recurrent & capital expenditure. In addition to this, debt crisis particularly in 3rd World countries in 1990s added to general distrust of bureaucracy and state. This was accompanied by expansion of civil society that started taking up state services as more & more welfare services were taken over by non-profit voluntary sector in welfare area.

Al Gore stressed - "We need government which costs less but works well." Focus shifted from rules to result, control to performance, from government solutions to market solutions. Resource constraints of the government & emphasis on checking the budget deficit has compelled the government to move from bureaucratic model to entrepreneurial model. Due to the influence of Public Choice theory, new right ideology, that advocated institutional pluralism and networked governance, PPPs became the new mechanism to deliver social infrastructure and services.

Contracting

A contract is a legally binding written agreement between two or more parties that specifies something provided and something received in return.

Various contractual forms are:

- (i) **Service contract:** Government bids out the right to deliver a specific service and sometimes provides the assets needed.
- (ii) **Management contracts:** The assets of the institution continue to be public, but operational management becomes private. E.g., Management of hospital
- (iii) **Leasing:** The private sector finances and builds a new facility which is then leased to the public sector. The public partner makes scheduled lease payments to the private sector and thus acquires equity in the facility. At the end of the lease period, the public agency owns the facility. Under the lease arrangement, either the public agency or the private operator may operate the facility during the term of the lease e.g., equipment.
- (iv) **BOT/BOO:** The private sector builds a facility in accordance with a design prepared by the public sector. In the case of the BOT (Build, Operate, Transfer), the private sector finances the construction of the facility but the facility is owned by the public sector, while in the case of the BOO (Build Operate Own) legal ownership rests with the contractor until the end of the contract term.

BOOT (Build, Own, Operate, and Transfer) promotes the long-term partnership between public and private sector.

PPP & Privatization: Key Differences

- i) **Responsibility:** Privatization - Private sectors.
PPP - Full retention of responsibility by government
- ii) **Ownership:** Privatization-ownership rights sold to private sector along with associated benefits and costs.
PPP - Government may continue to retain the legal ownership of assets by the public sector
- iii) **Nature of service:** Privatization - Nature and scope of service is determined by private provider.
PPP - Contractually determined between the 2 parties
- iv) **Risk & Rewards:** Privatization - All risks inherent in the business rest with the private sector PPP - Risks and rewards are shared between the government and the private sector

Advantages

- a. **Operational Gains:** Ensuring that one delivers better or more services for the same price (efficiency gains), or making savings to release money for investment elsewhere
- b. **Strategic Clarity:** Partnership contracts enhance accountability by classifying responsibilities & focusing on the key deliverable of a service. The managerial efficiency of a ministry can benefit significantly as existing financial, human & management resources can be refocused on strategic functions.
- c. **Cost Effectiveness:** Since selection of service provider depends on competition, project is more cost effective than before.
- d. **Higher Productivity:** By linking payments to performance, productivity gains may be expected within the project.
- e. **Accelerated Delivery:** Contracts generally have incentive and penalty clauses vis-a-vis implementation of capital projects which leads to accelerated delivery of projects.
- f. **Clear Customer Focus:** Shift in focus from service Inputs to outputs create the scope for innovation in service delivers and enhances customer satisfaction.
- g. **Enhanced Social Service:** Social services require a great deal of commitment than sheer professionalism. In such cases it is community/voluntary organization who alone can provide the requisite relief (e.g., large number of voluntary organizations in India working in municipal services)
- h. **Recovery of User Charges:** Innovative decisions can be taken with greater flexibility on account of decentralization. Wherever possibilities of recovering user charges exist, these can be imposed in harmony with local conditions.

Risks

- Conflict between various players
- Inadequate checks and monitoring can hamper public interest
- Lack of transparency in procedures
- Fragmentation of health services
- Cost overruns
- Monopolistic prices
- User charges are against concept of democracy

- Lack or poor quality of post-ante performance evaluation
- Lack of compilation and dissemination of info on PPPs
- PPPs perceived as only a source of capital

Some examples

- The British Government has used PPPs to finance the building of schools, hospitals, for defense contracts, and specific capital projects such as the Channel Tunnel Rail Link, the National Air Traffic Services, and improvements to the London Underground.
- Social services in Germany and the Netherlands are provided mostly through PPP, by nonprofit agencies that have a monopoly in these services.
- PFI (Private Financial Initiative) in UK. India has also used it for development of infrastructure, public economic sector and power sector.
- PPP cell has been created in the Ministry of Finance in India. DBFO (Design, build, finance & operate) division was created in the road sector.
- Used by bilateral donor or developmental agencies e.g., USAID (United States Agency for International Development).
- Gujarat Andhra Pradesh and Punjab have developed specialized institutions and legislation. They have constituted an agency and passed Acts to promote private sector participation in infrastructure projects across sectors (Gujarat Infrastructure Development Board, the AP Infrastructure Authority & the Punjab Infrastructure Development Board).
- A second category of states, including Karnataka, Rajasthan, Uttaranchal and West Bengal have developed cross-sectoral facilitation entities but have not passed comprehensive legislation.
- The Rajasthan Project Development Corporation (PDCOR), a joint venture to facilitate private investment in infrastructure, including policy advisory services to the state government and institutional support to structure and implement PPPs.
- Third category of states MP, Maharashtra and Tamil Nadu, have relied on sectoral and line agencies to develop and implement PPPs. In Madhya Pradesh for e.g., initially the MP Works Department and then the specially created MP Road Development Corporation (MPRDC) act as the agency for development of road projects on a BOT basis.

State Vs Market Debate

Globalization has transformed the relationships between the society, market & government. From time to time, the govt vis-à-vis society has had various shades of roles from prime-doer to just an enabler and a withdrawn player. The government's regulation & control over market has also undergone a series of changes. The society's dependence either on the govt or on the market or both for the supply of the needed goods & services has also been differently visualized at different points in time.

It has been argued in modern times that globalization has made the national governments and the role of state in economic development irrelevant because most of the developmental role can be played by the market, specifically MNC's & MLO – Multilateral organizations (WB, IMF etc.). However, the counter argument is that market can never provide all the solutions on its own. Thus, the state vs market debate goes on and there are a number of arguments on each side. In recent times, the state vs market debate is often understood in the context of the dynamics of sustainability of development. In this context, 3 kinds of developmental sustainability are visualized:-

1. Economic sustainability:

- a. All round development, that is, all sectors and all regions which market alone can't ensure.
- b. Prioritisation, that is, national needs and interest should be valued ahead of consumerism.
- c. Self-reliance: state can't withdraw so much that country's selfreliance is threatened because of dominance of MNCs.
- d. Development should be orderly and continuous.

2. Social sustainability: here, government has a greater role than economic sustainability. a. To ensure that development is inclusive. b. Basic needs for all. c. Dignity and justice. d. Creation of social capital

3. Environment sustainability: here, the government has even greater and direct role because market often functions in a manner which is insensitive to environmental degradation because it is mindful of only the profits. Here, the role of government is:

- a. Create awareness.
- b. Incentivising private players to adopt clean technologies.
- c. Invest in environmental R&D.
- d. Regulating the conduct of private players like emission norms, wastage treatment standards, and location of polluting industries.

All these concerns place the government in an important role because market doesn't have motivation, capabilities and authority for these concerns.

It is argued that from 1 to 3, the governmental role is in ascending order i.e., least in economic & max in environment sustainability.

It isn't a question of Intervention vs Laissez Faire – a popular dichotomy but a false one. Competitive markets are so far the best way to maximise efficiency of production and distribution of goods and services. But markets can't operate in a vacuum. They require a legal and regulatory framework which only governments can provide. It isn't a question of state or market – each has its own irreplaceable role.

Bureaucracy and Development

The bureaucracy or the administrative subsystem in any country has been seen differently - as an instrument, a solution, a problem and an enabler for development. Whichever way we look at it, it can be definitely visualised that

there is a strong link between administration and development. In this context, Riggs explored this link between administrative development and development administration in the form of two sides of development administration. He argues that development administration refers to methods, policies, plans etc. used by government to administer developmental programs.

Administrative development is defined by him as “strengthening the administrative capabilities”.

According to him, these two have a reciprocal relationship in the nature of ‘chicken and egg causation’ (what came first?). To elaborate, he argues - to develop the capacity of administration, some positive changes in ecology are required. Conversely, improvement in the capacity of bureaucracy can lead to ecological development.

The developmental roles of higher bureaucracy can be divided into 5 major categories:

- a. Policy formulation (helping out the government).
- b. Advice of financial and administrative implications (because ministers may not have adequate knowledge about the subject matter).
- c. Implementation of public policies.
- d. Training function to enhance the performance of lower level bureaucracy and further strengthen the institution.

Constraints in roles:

- a. Disagreement with political leadership.
- b. Resisting new ideas and innovations given by lower level officers.
- c. Supremacy of seniority but lack of commitment.

Roles of lower level bureaucracy:

- a. Public contacts
- b. Revenue and information collection
- c. Learning techniques
- d. Implementing projects and policies

Constraints in their roles include arrogance, corruption and lack of commitment

Many CPA and DA scholars have analysed some unfavourable features or weak attributes of bureaucracy of developing nations:

1. Riggs talked about:

- a. Heterogeneity
- b. overlapping
- c. formalism
- d. ascriptive status
- e. fused functioning etc.

2. Ferrel Heady:

- a. imitation rather than indigenous technology,
- b. skill deficiency (technical, social and leadership skills),
- c. non-production oriented, that is, spirit of entrepreneurship is missing,
- d. poor accountability of bureaucracy.

3. Other weaknesses:

- a. Overstaffing in public organisation
- b. Poor work ethics
- c. Low productivity
- d. Excessive centralisation
- e. Rigidity or rule-boundedness
- f. Red-tapism
- g. Status-quoist and not change and innovation oriented as required by DA.

Because of these features, the administrative system in developing countries suffers from capacity deficit and trust deficit. Therefore, administrative development or administrative reforms aim at capacity building and trust building. Capacity building requires changes in administrative functioning. Once citizens get better services, trust building will also take place. Traditionally, bureaucracy had following goals: 3Es – efficiency, economy, effectiveness. But the

development oriented bureaucracy has goals of:

- a. equity,
- b. people's participation,
- c. accountable and
- d. responsible.

World Governance Indicators (given by World Bank)

- a. accountability
- b. political stability and absence of violence
- c. government's effectiveness, quality and not quantity of regulation
- d. rule of law e. checking corruption

Women and development

Women constitute more than half of world's population and constitute a part of all spheres of life. The real test of development of a nation lies not only in its economic growth but more importantly in the status of its women. Therefore, status of women can be an index of development as promoted by UNIFEM (UN Development Funds for Women).

Development must benefit women and only then, it can be called inclusive. For this, women's participation in developmental processes is necessary. Women must move from numbers to influence. They must move from numerical presence to strategic presence.

A country can't be called developed if half of its population is deprived of basic needs, livelihood options, respect, access to knowledge and voice in politico-administrative decision making. There is a need to 'engender' our policies and plans.

Goals for development of women

1. Engendering plans and policies, that is, creating women specific developmental efforts, especially educational and health initiatives. This includes gender budgeting and component planning where for every major plan, there is a separate women's component.
2. Protection and empowerment: there are various sub-goals in this:
 - a. Gender equality
 - b. Gender sensitivity
 - c. Gender justice
3. Anti-goals:
 - a. Discrimination
 - b. Exploitation and violence
 - c. Insensitivity and marginalisation

Means for development of women

1. Economic independence, that is, opportunities of income generation, economic generation and self-reliance.
2. Educational advancement, that is, universalisation of girl child education, reducing gap in male and female literacy, promotion of vocational skills.
3. Access to information so that they come out of darkness or ignorance which is the major reason for their exploitation and dependence.
4. Women have to be given participation and voice in planning and decision making.
5. They need initial credit / loan (non-exploitative)

Approaches of women development in India

1-5 FYP: Initial approach was sympathetic, protective patronage with emphasis only on nutrition, education and maternal & child health.

6 FYP: Major paradigm shift – a concept of women and development was introduced where there was an integrated approach for development of women

11 FYP: Concept of W-Governance (Women), that is, a model of developmental governance by women, of women

and for women.

W-Governance adopts a life cycle approach. It argues that during entire life, from conception to death, women need various kinds of securities:

- Physical security (foeticide, infanticide, dowry deaths)
- Emotional security (sensitivity by male gender towards female gender, especially security against emotional trauma, sexual harassment, rape and other atrocities)
- Economic security (income opportunities, tax benefits)
- Political security (reservation in local bodies, state legislatures and parliament)
- Community security, that is, overall respect for women and recognising their role even if she is a homemaker.

SHG movement

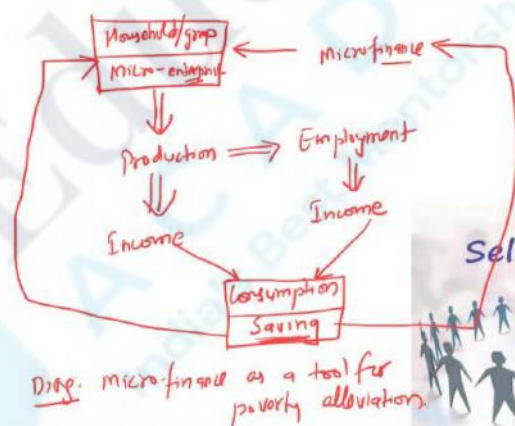
SHG is where people would share common experience, common problems and common situations, offer to each other 'help' which others can't offer.

Features of SHGs:

- Cooperative self-organisation.
- It is non-bureaucratic, non-exploitative.
- Social support of all members to each and each member to all.
- Free voluntary service by some members who are more educated and aware.
- Poor members and small loan amounts.

Benefits of SHGs:

- Generation of awareness about importance of education and savings.
- Importance and knowledge of family planning.
- Greater role in decision making in family activities.



Difficulties faced by SHGs:

- Banks may provide loans but need collateral. Poor women don't have any such collateral.
- No-frills account aren't really opened.
- Credit worthiness remains low despite primary repayment.
- No link with markets or agriculture.
- Spatially not exhaustive in India.
- Members are part of more than 1 SHG.
- SHGs take loans from multiple sources

Advantages of financing SHGs for banks:

- Increase coverage of small borrowers in a short time.
- Complete the target of PSL.
- Credit rating, sanctioning, supervision and monitoring of SHG is easier.
- Expansion of loan portfolio to meet diverse needs of the poor.